Ontario. Royal Commission on Book Publishing

Hearings. 1971

ONTARIO

ROYAL COMMISSION ON BOOK PUBLISHING

Hearings

Mr. Richard Rohmer, Q.C.	Chairman
Dr. Marsh Jeanneret	Commissioner
Mr. Dalton Camp	Commissioner

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252 Bloor Street West, Toronto,
Ontario, May 11th, 1971.

12

This transcript has not been edited, corrected or revised by the Commissioners, but may subsequently be edited, corrected and revised.

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48 York St.
TORONTO 1

Dr. William Clarke, Vice-President and General Manager	Clarke, Irwin & Company Limited
Dr. Edmund T. Guest, FACD Chairman and Mr. H.C. Campbell, Chief Librarian	Toronto Public Library Board
Mr. Robin Strachan, Director and Mr. H.P. Gundy, Associate Director and Senior Editor	McGill-Queen's University Press
Professor Vincent Bladen	
Mr. John C.W. Irwin, Chairman of the Board and Mr. John W. Irwin, President	The Book Society of Canada
Mr. William R. Havercroft, President; Mr. David J. Nelson, Vice-President and Director of Trade Division; Mr. Douglas Gibson, Editor and Mr. Peter Maik, Vice-President, Administration Services	Doubleday Canada Limited
Mr. E.G. Brown, Chief Librarian and Mrs. J.B. Moody, Consultant on Large Print	The Canadian National Institute for the Blind
Mr. J.H. Vowles, President and Mr. William Stroud, Research Director	Stroud, Bridgeman Press Limited

Toronto, Ontario,
May 11, 1971.

--- The hearing commenced at 10.00 a.m.

THE CHAIRMAN: We have with us this morning Dr. William Clarke, Vice-President and General Manager of Clarke, Irwin & Company Limited to make the first presentation to us and we would be obliged, Dr. Clarke, if you would do as we have asked others to do and that is to give us the high points and then we will have a discussion.

SUBMISSION OF CLARKE, IRWIN & COMPANY LIMITED

DR. CLARKE: Thank you very much. I have endeavoured because I recognized that this Commission has, through the course of its hearings, heard many of the same things over and over again, to carve out in the brief which we presented to this Commission something of a personal approach to publishing in an effort to try and make plain what must be, I think, the key to Canadian publishing activity which is that Canada stands possessed now of publishing houses who have a real contribution to make in the future, publishing houses who have in the past made a significant contribution to Canada's literary culture.

I have endeavoured to point out what is obvious to everyone in this country, that there has been in the last decade and more

1 particularly in the last three or four years
2 a tremendous surge in Canadians' awareness of them-
3 selves expressed in their appreciation of things
4 Canadian, in the tremendous outpouring of creative
5 activity in virtually every sector of the arts.
6 I have endeavoured to say that
7 I think that the literary field has participated
8 in this development of the Canadian art form to
9 no less a degree than the other more generally
10 appreciated art forms in this country.
11 I have endeaoured to say that until
12 this point in time the Canadian publisher as an
13 individual has endeavoured to carry the burden
14 of the development of this activity
15 entirely on his own resources with minor subsidy
16 on occasion from certain granting agencies.
17 This entire burgeoning has been borne on the
18 shoulders of the Canadian publishers in Canada
19 and in the general area of book publishing by
20 Canadian publishers.
21 I have tried to point out that
22 through all this process the Canadian publisher
23 today stands possessed of a level of competence
24 in his field which is a national asset and which
25 I believe should not be treated lightly. I have
26 said something of the history of Clarke, Irwin
27 to try to set this company in perspective as a
28 Canadian house which, for 41 years, has been
29 involved in the publication of Canadian materials,
30 has been primarily concerned with the quality and

excellence of those materials and with the contribution which they can make, both to general publishing and educational publishing.

I have talked briefly, somewhat ruefully of the popular misconception that publishing is a wealthy activity, that publishers are wealthy men. Dr. Jeanneret would know better than I but I can't think of very many publishers who have died wealthy men in this country or elsewhere -- certainly not on the profits they have made on book publishing.

I have tried to say what has happened to the publishing market in Canada both general book and particularly educational which,is, of course, the foundation of so much of the publishing activity in this country and I have tried to say how a firm like ours has endeavoured to adapt to it -- not simply to bury its head in the sand but to undertake a variety of new publishing ventures in a variety of media both in print and non-print materials.

I have also tried to indicate what we have done to meet the needs in education for a broad variety of materials in our promotional activities and I have tried to say something of the tremendous and, for a small company such as ours, in terms of time and effort on the part of staff, the tremendous efforts we have undertaken to try to getour products across to teachers and educators right across the country, in Ontario and

elsewhere.

I have made a number of recommendations many of which have been expressed before. I make no apology for this. It seems to me by this time we are getting down to the point where some things emerge very clearly as something that simply has to be done and the fact that my recommendations support many or the recommendations that have been made before and perhaps expressed in a different way some of the thoughts that have been expressed before, I think,is only an indication that we are getting, as I see it, to a kind of common ground.

I think that is perhaps all I should say at this point.

MR. CAMP: First of all, I found the brief very comprehensive and thoughtful. I agree with you that you don't have to be redundant in terms of recommendations because I suppose what one wants among other things, is a consensus. On page 9 you talk about the success you have had in penetrating the U.S. market with some of your educational products and then you say:

" The costs involved, however, have been beyond our present resources, and we are not able to continue the programme on a scale which promises significant financial return."

I wonder if you could enlarge upon that as to what costs are involved and what the problems are?

DR. CLARKE: I have recently completed a study for the federal government on ways in which it might be appropriate for Canadian publishers to enter the U.S. market more effectively than in the past. I think that here the problem can be broken into two areas. I have chosen in this comment here to concentrate on the sale and adoption of educational materials for school use and with that limitation I think that there are 50 States and within the States there are numerous jurisdictions which set their own criteria. Basically, however, one has to get into the market-place, approach State Departments of Education, City Departments of Education, Local Boards in an effort to get your material approved. This often involves extensive travelling.

For example, we made a heavy effort in the state of Texas to secure State adoption for two of our history texts. This involved travelling, I think, to 14 centres throughout the State, conducting interviews over a two-week period, about a month in which we did other travelling in that State and so forth. This is a heavy cost.

MR. CAMP: Apart from the fact that it is another territory, is it different from the efforts you have to make in Canada?

DR. CLARKE: I would say that we are involved in a learning process here. I think that we are older and a little wiser now. I think

in terms of more jurisdictions -- I think that in Canada we don't seem to have the pattern whereby one has to cover an entire province meeting with educators all over the province to secure primary adoption. We do have the sales but the problem is quite similar, yes. The competition is very rough.

MR. CAMP: Rougher than here?

DR. CLARKE: Yes, I think we are competing with people who by and large are sales reps who have lived in an area for years and years, who are on first-name terms with people making the decisions. We had one man in the States for about 18 months and he met some sales people and they said, "What is your territory, is it Dallas, Houston or Austin" and he said, "No, I cover the U.S.". I think it is very tough competition and it requires a lot of travel and a lot of contact.

MR. CAMP: Have the successes you have enjoyed been the result of material that was successful because it was Canadian oriented or because it was international?

DR. CLARKE: Actually I should qualify this matter of "success". I think to make an impact at all represents success. We have learned a great deal in terms of generating revenue. We haven't really done enough to pay our way. The Story of Mankind is a two-volume civ program aimed at the early high school years, "Ten Years That Shook the World" ten years it took to introduce the film strip about the French

revolution. These were accepted down there. I don't know that being Canadian influenced the decision one way or the other. I would say that they were a little concerned at being Canadian, they really didn't understand this and they didn't know whether we could deliver. The comments I have attached here are comments from American and Canadian educators.

DR. JEANNERET: I wonder if I could follow up your question before you get on to another topic? I notice, Dr. Clarke, on this question of your dealing directly with the boards concerned and seeking the adoptions concerned, you have in the past I know had experience in working through U.S. publishers and that has been the pattern in the other direction. Is this something you have consciously set aside and you wanted to see how well you could do on your own or is there any advantage in your working through an American publisher and having them be your United States publishers, so to speak? Could you comment a bit on that?

DR. CLARKE: In the educational area we have found that despite our best efforts we were unable to get, different from American publishers -- I think this has a great deal to do with the price structure and the kind of commitment they know they are going to have to make and the fact that it is Canadian material, We ran into, for example -- "This is great stuff". I submitted this material to

a number of American publishers and they invariably came back with reports, "This is good, good, good", but then they said, "First of all your authors aren't known" and this comment was made by an American publisher who had, in fact, done a book by these authors and it had sold something like 150,000 copies. I pointed this out to him.

DR. JEANNERET: But does this offer an opportunity to many American publishers to fill and plug gaps in their educational lists and offer books in fields whatever they might be, history, French or whatever it might be, if necessary Americanized but it seems to me that it would have a tremendous economic effect to some of them. I am just asking, I am not saying.

DR. CLARKE: Well, I would think so. I think the pricing, the costing of educational books and especially these books is so very, very tight that it doesn't really permit them to be a middle-man and make a profit as a middle-man. I think that they feel it is very risky, and so it is.

DR. JEANNERET: It works one way but not the other?

DR. CLARKE: Yes.

MR. CAMP: In your recommendation on page 14 you have a parentheses in which you indicate your support of the government's response to the interim report of this Commission and you say,

" ... and reject the suggestion that in any

" effective way, such a move will lead to undue Government influence."

You realize my own sensitivity to the fact that there is contrary opinion, not only from your colleagues and associates but from such as Charles Lynch, journalists and others of sensible opinion. I just wondered if you could strengthen that statement a little?

DR. CLARKE: It seems to me in practical terms what we are concerned about here is whether government will use measures such as this as a way to direct the publishing efforts of publishers, the majority of the list, the kind of books that are published. I may be naive, but I think that there is ample evidence in this country in this kind of area that the government will run 100 miles from putting itself in a position where it possibly can be accused of this kind of activity. I favour this kind of general funding, because I think in the area of specific funding for specific books that then, yes, you do, because you give to someone like the Canada Council, or whatever, a specific project and say "Does this merit your support?" and then they feel called ppon to make an editorial judgment, but when you are talking about a whole, broad program, I think that before the danger of direct government influence would come out that you would find the publisher involved would be screaming blue murder. I think that no government would lay itself open to that kind of charge.

MR. CAMP: In your long experience in publishing have you ever known of, let us say, the banker who tries to effect an editorial judgment or a judgment on the publisher whether or not you were publishing appropriately marketable books?

DR. CLARKE: No, this has never occurred.

MR. CAMP: But, to your knowledge, has it happened in any other publishing house?

DR. CLARKE: No, I think, you know, this is the kind of thing there could be a rumour about this and somebody could say "I heard it from so and so but I have never run across this at all".

I think publishers are very sensitive, you know. If you want to get an hour-long speech, you just have to ask a publisher to talk about somebody trying to influence his program and they are up, you know, like a shot.

MR. CAMP: You go on to make your recommendation that the Commission undertake an investigation of the immediate capital requirements, which I take it to be rather, since it is your first recommendation, a crucial one, on page 15. You say:

> ". . . without waiting for the final report, present additional interim proposals to the Government for financial assistance."

Would you not recognize the difference in the circumstances in the example of McClelland and Stewart and, let us say, your own or other publishing houses?

DR. CLARKE: I think perhaps -- well, as reported, I would say that McClelland and Stewart's situation, which has been reported as being related, if not exactly bankruptcy ---

MR. CAMP: By the publishers themselves.

DR. CLARKE: Yes, this obviously is a kind of terminal situation that has to be dealt with, but I don't think anybody should go away with the idea that by patching up McClelland and Stewart one has come to grips with what is a terminal condition for the Canadian publishing industry. A publisher has to be solvent, but he has also to be able to publish, and if a publisher can't publish, then, he is the next best thing to insolvent. The publishers in Canada desperately need working capital. What has happened here is that publishers have taken the resources they have built up very, very slowly over the years and they have risen to meet the challenge in education, in general literature, to publish good stuff. They have gone out on their own resources and have published and published and published, and I think that this stands to their credit. There have been good books and bad books published, but I think a tremendous job has been done in this country. The publishers went on being individuals and being occupied

with their primary activity, which was publishing. They have gone on until suddenly they realized that the well had run dry. They had not been used to going out and asking people for handouts.

MR. CAMP: The well has run dry ---

DR. CLARKE: The working capital well.

MR. CAMP: Which were the banks?

DR. CLARKE: Yes. The banks are being called upon now in terms of working capital to invest more heavily in high, high-risk publishing, which is what the whole publishing spectrum has become in this country. It is all high risk now. Also, they have been asked, in fact, to invest on a long-term basis in an activity which does not involve heavy equipment inventories and so forth. This has been very tough for them and they have not been able to make judgments to commit this kind of money to publishing.

MR. CAMP: But ---

DR. CLARKE: I think McClelland and Stewart is one thing but the rest of publishing in Canada is right now -- not six months from now -- right now at a point when it is going to have to stop publishing. When that happens you are dead!

MR. CAMP: That is right.

DR. CLARKE: Since last September I have been saying there are two problems: There is the immediate problem of keeping these people going. There is the very complex long-term problem of seeing whether it is possible for an industry in this country to survive legitimately on its own efforts, but the whole thing becomes academic if the people are not around. This is what I mean here. I think McClelland and Stewart needs help and deserves help, but if the rest of the industry is forgotten, for even six months, then we are into real trouble.

MR. CAMP: Are you saying that in regard to this matter of financing publishing operations that if capital is simply not available or the industry has become so punitive that it is restricted?

DR. CLARKE: I think both. I think it is almost impossible to get capital and I think that such capital as can be attained comes at interest rates which are simply irresponsible.

MR. CAMP: Are you suggesting there is something beyond the prime rate?

DR. CLARKE: I certainly am. In effect I am suggesting that the rate be linked to profitability and if the profitability is essentially zero, or close to it, the rate itself should be zero or close to it.

MR. CAMP: You don't fault the banks' judgment in the matter? You don't fault the banks for their judgment as to their determination of what an appropriate interest rate should be a loan to a publishing house?

DR. CLARKE: I don't know how I can comment on that question.

MR. CAMP: Others have.

On page 16 I just wanted to clarify the opinion here because the matter has been raised by others with regard to the creation of textbooks allowing active teachers to obtain leave of absence where necessary. Now, in your mind, would that be on the basis of speculative undertaking or would it be based on the submission of a draft manuscript of should it be based on the fact the publisher is willing to commission a teacher to prepare a book?

DR. CLARKE: I think that, where a publisher has sat down with a group of teachers, or with a teacher and has developed an idea for an educational project and where he has made the editorial decision that this is a valid project that does require major investment of a teacher's time, then it ought to be possible for teachers to be involved in this. I am very disturbed because it really is tough in this country to write an educational book. You are doing it at nights

and weekends and Christmas holidays and so forth. I think we have got to try to free teachers to participate in this activity which is so important. It seems to me it is essential to the teaching activity that quality materials be available and I think Canadian materials be available. This is what is so tragic about the infinitesimal budgets that are expended nowadays for the purchase of materials in classrooms.

MR. CAMP: Would it be a sensible question to ask how long it takes to write a book? Is it a matter of a year or half a year or is it a matter of a semester?

DR. CLARKE: I think the world history text ---

MR. CAMP: You have to have some measure.

DR. CLARKE: I think it would be quite reasonable to suggest a sabbatical leave of a year.

MR. CAMP: Next you talk of the Council of Ministers of Education. I had the opinion they were doing what you recommend they do, but you say you are not satisfied then that much progress has been made in terms of a standardized curricula?

DR. CLARKE: I think from our point of view there has been some attempt -- insofar as we know -- and I think this process

has got to be, however, brought to a -- there has got to be -- so far it has not gone far enough.

MR. CAMP: On page 18 you indicate that Boards of Education are what we call in the trade "slow pay". I wondered about that. In other words, you are saying the fact they don't undertake to settle accounts as promptly as you believe they might contributes to the shortage of working capital?

DR. CLARKE: Very definitely.

MR. CAMP: How long does it take a Board of Education to pay its bills to its publisher?

DR. CLARKE: Obviously, some boards do a better job than others. We find that we carry a significant portion of our accounts well beyond 390 days. I understand from officials of the Department of Education that with interest rates being what they were, Boards of Education were reinvesting in short-term notes rather than paying their accounts. I am not the source of this. I think this could be followed up, but this practice, I hope has been discouraged.

MR. CAMP: Has publishing made an effort to force the Boards?

MR. CLARKE: I made approaches directly to the Department of Education for some assistance from the Minister in this matter

because it had reached a simply ridiculous state for us.

MR. CAMP: With regard to recommendation number 16, I just wanted to ask you, if we are going to have somebody to cover the cost of translation of English and French language works, which we all recognize as a serious problem in terms of national publishing in Canada? You make the distinction here as between a book and a manuscript of merit. Therefore, the suggestion is someone has to determine what is a manuscript of merit. That is one part of the question, and the second part of the question is: Have you, yourself, any idea what an appropriate body would be to finance this undertaking?

DR. CLARKE: Well ---

MR. CAMP: We have two things here, administration and financing.

DR. CLARKE: I think the only body to participate in this was the Canada Council and the Centennial Commission, I think, made some grants, but the Canada Council so far has been the only body involved in this and it has still been, I think, too rare in the event. I think that the present process is good enough, that the publisher has a manuscript which he wants to publish and I think that whatever we do, we have got to try, we have got to have faith in Canadian publishers.

I think we have got to recognize that their commitment to the publishing of Canadian ideas is very strong and I think that we should have sufficient faith in them to say, when a publisher says "I want to put my imprint on this book. I want to be the publisher of this book. It is a French-language book", by and large the decision to offer assistance in translation should be very close to automatic.

MR. CAMP: Then it goes on then to a further point that it is not only a matter of the cost of translation but it is a matter of marketability, in other words, I am speaking now of translating books from English into French. It would seem to me that it would be publishing or marketing on a very, very narrow base. For instance, in regard to publishing Canadian booksin English in Canada it would be even a greater problem with not only omitting this extra cost of translation but the problem of translation to market in a population of 6 million or 7 million.

DR. CLARKE: Well, I don't know how appropriate it is for me to make judgments on behalf of French publishers but certainly the other way around the problem is difficult enough, just publishing and I think the publisher has to be very committed to a book before he will publish it but it seems to me if I were a publisher in French Canada and I wished to obtain good English Canadian materials, I would be able to make a decision and presumably to market it. I just want to establish a free flow, that is all. I want to separate that matter of translation from the already, as you point out, the very difficult problem of what to publish and what not to publish in terms of real contribution and in terms of marketability but you want to get that decision out of there.

MR. CAMP: I just wondered if you had

made any analysis in your own mind as to the economics of publishing? Just let me give you an example. Someone pointed out to us, perhaps Dr. Jeanneret mentioned it, George Grant's book, "Lament for a Nation" which was of national significance. Apparently the cost of translating the book into French, the French language, would not be justified in what any publisher's profit potential was in that book in the French language. So it is not only the matter of translation, it is also the matter of market, or is it?

DR. CLARKE: Well, if you tie the costs into the same thing, yes it is. We have done four books now -- no, five books now -- by Gustav Lanctot, a historian. These are all published originally in French. We had them translated, we did not get some translation of some old books and I think of only one instance where the translation covered the cost of the entire translation. Nevertheless we did these books and we were able to make the decision to do them. They were not significantly profitable books, the profits would never warrant the cost of the translation but on the other hand they deserved to be done.

MR. CAMP: Speaking of that, I see you are publishing Alden Nowlan. Were you his first publisher?

DR. CLARKE: No.

MR. CAMP: It was published firstly

in the Provincial Press in the Maritimes, I think?

DR. CLARKE: Yes, he had two or three publications before us. I think we were his first publisher in hard back form.

MR. CAMP: How do you arrive at a suitable price for a book of that size? I have had to guess. I have seen books like that for $10 and I have seen the books at $3.95. Does it matter what the market will bear for poetry?

DR. CLARKE: I think so, those books were published in the knowledge that we would not make a profit on them. I think one then decides what can one legitimately charge to get them and do them honestly, to do them in a good format and with some quality to them.

MR. CAMP: He wrote under a Canada Council grant, did he not? Is this the volume he produced from the Canada Council grant?

DR. CLARKE: We received small grants on two of his books. I don't know what monies he himself has received. I can't answer that. We received small grants. Again, however, these grants were not sufficient to even enable us to break even on the publication.

MR. CAMP: You are saying then it is very difficult, if not impossible, to publish Canadian poetry but the prospects are pretty good for publishing although there is a loss in many cases?

DR. CLARKE: Yes.

DR. JEANNERET: If I interpret your position with regard to translation costs correctly it is simply that you would like to see where competent not frivolous publication in other language is assured the cost of translation eliminated as a factor in the decision to publish?

DR. CLARKE: Yes.

DR. JEANNERET: That is really what it boils down to?

DR. CLARKE: Yes, that is much better expressed than I could have. That is exactly it.

DR. JEANNERET: You want to put it on the same basis as if it were available in the language of publication?

DR. CLARKE: Yes, I think that the author in this country if we are going to adopt the standards that we have, that we have got to pay proper attention to both cultures. The author ought to feel that his book has an equal chance to be judged solely on its merit.

DR. JEANNERET: If this principle were adopted I think we could agree that the government and the public need fear no plethora of grants of their money in the interest of translation costs. There aren't just hundreds of books to be translated that will get published.

DR. CLARKE: No. The risk is the same. It is still risky and maybe more so.

MR. CAMP: I would have thought more so if we were talking of English into French.

DR. CLARKE: Given a book which you want to publish the risk is the same.

DR. JEANNERET: This is not an open-ended situation in any sense.

DR. CLARKE: No.

DR. JEANNERET: Your recommendation regarding an investigation of capital requirements of Ontario based publishers, I think perhaps you had better define"Ontario based" as you have been using it, if you will.

DR. CLARKE: Well, I am concerned with Canadian publishers operating in this country who do not have ready access to capital either from their owners abroad or because of the conglomorate interests which control them from Canadian banks. I am concerned that these firms who cannot even get within their own country financial support commensurate with them on the same basis as American or British firms operating here should have an access to working capital. I used Ontario rather than Canadian publishers simply because I felt it was more appropriate in this instance, but it is the Canadian open houses who have not a chance to get working capital.

DR. JEANNERET: Your fifth recommendation on page 17 raises the same question in my mind that was raised by every brief that has

been put forward and that is, to what extent would any kind of commitment by the Department of Education in advance of publication regarding the inclusion or otherwise in Circular 14 of a submitted work encourage first of all, exploitation of authors, secondly, the submission of a higher proportion of second-rate material and finally, the discouragement of new publishing for possible adoption later in other provinces. Aren't these the problems?

DR. CLARKE: I think that the exploitation of authors is an unnecessary concern. Major educational projects require heavy commitment by the publisher almost as early as the commitment by the author. I hate to keep coming back to those history books but we began 18 months before publication to do photo research with a staff of our own people and our commitment before any type was set was very significant indeed. I don't think frivolous publishing or frivolous exploitation of authors is very likely to take place. I think that one might well find that manuscripts might be submitted, obviously more manuscripts would be submitted and, therefore, there would be some more that were not as good but I don't think that the publisher even then is going to spend a lot of time in, as you say, frivolous publishing.

There would be a broader spectrum of materials submitted and some of them will be good

and some of them won't be so good. Some of them, I think, may well be better because the publisher is prepared, I think then, to perhaps take a little more risk in the development of ideas not quite so safe.

DR. JEANNERET: And if not accepted then not published, is that it?

DR. CLARKE: No, I think the publisher then has to do as publishers always have done and say, "I believe in this book and if I can't sell it in Ontario then darn all I will get out and sell it somewhere else". We did a book called, "Essential Latin" which was done essentially where the main market was, I think in Alberta, I have forgotten it is so many years ago now, but this book was done and heavy expenses were made when printing was done and Alberta convinced itself that we were a young company and didn't have the financial resources to deliver the books and they said, "No deal" and we turned around and made the decision, "Well, okay we will sell these elsewhere", which we did.

DR. JEANNERET: On page 18 you are speaking in recommendation No. 7 of a specific grant for purchase of educational materials. The choice of this phrase is unfortunate in view of the rise in multi-media, non-print media and so on. I have checked the reglations and as I expected they referred to books and textbooks, not educational materials. What you are really

asking for in effect is desegregation of the textbook or book grant as such, are you not?

DR. CLARKE: Well, there is some problem with this.

DR. JEANNERET: You have introduced the words, "educational materials".

DR. CLARKE: I am sorry, I think that a specific grant for the purchase of educational materials akin to the specific textbook grant might well be established. I think this question of book becomes very difficult. We did the Jackdaw series over there, the Boreal Express Newspapers, A Folio for Writers, none of which are books.

DR. JEANNERET: I think that your recommendation No. 10 regarding the practice of rebinding is open to misunderstanding. Perhaps you might just enlarge on it a little bit. I think I understand it but I think it would be useful for you to comment on it for the record.

DR. CLARKE: Since the issue of free textbooks, tremendous efforts have been put out to bring teachers into the process of distribution of books, collection back of books, checking for damaged copies, cleaning up the books, storage of books and so forth. Then after three or four years the books are sent out for rebinding in an effort to prolong their life. This is a very costly process, I mean in the States at least it is costing anywhere up

to $2.50 to rebind. I was surprised at that but these are figures that I got down there. I don't know what it is in Canada but it is well over a dollar.

DR. JEANNERET: And the administration is additional.

DR. CLARKE: Yes, the storage and everything else. I think there is a false economy here that has to be looked at because the press runs are smaller, the cost of books go up initially, new books don't get published because their prospective market isn't the same and all we are doing is taking the books and after three children have used them in school we are sending them up for rebinding.

DR. JEANNERET: Would you expand a little on your recommendation No. 15, regarding the Ontario Queen's Printer and Publisher, please?'

DR. CLARKE: Yes, my firm has some experience and I am sure other companies do too, but very, very limited experience in attempting to handle the publishing materials for the government, particularly the federal government. Our experience seems to indicate that it is possible for a commercial publisher to undertake editing, design, production control, tendering for manufacture on behalf of governments and perhaps to do it more effectively than has been the practice in the past. I think that there are many, many projects undertaken by both federal and

provincial governments where publishers might well be asked to undertake these processes. I think the result would be better government publication where government publications were justified at all in both the design, the appearance, the quality and so forth.

I think this has been overlooked. There has been an assumption somehow that government publishing and commercial publishing were worlds apart. I am not saying here that the Canadian commercial publisher should publish the Hansard, or confidential government reports, but I think there are many, many things, as a glimpse at the Queen's Printer Book Shop -- the government of Ontario Queen's Printer Book Shop down on Bay Street has many books there which probably could have been done more effectively by commercial publishers.

DR. JEANNERET: On page 23 you refer to the desirability of undertaking, or of us undertaking a major study of mass paperback distribution in this country. This is a topic that we have had under consideration, as you know. Possibly it is a project. I would be glad if you would care to give us a thoughtful memorandum of the kind of study you would like to see us undertake, rather than try to answer that question right now.

DR. CLARKE: All right.

DR. JEANNERET: If you thought it over a little bit we would be glad to know about it. We will have to decide what we are going to do. I would welcome, on page 24, some explanation or expansion of your use of the phrase:

". . . the uninformed examination

given by the Economic Council of Canada to this problem of .'buying around'."

Those words "uninformed examination", would you like to comment on that? I think it is very interesting.

DR. CLARKE: Well, I don't -- perhaps I would be guilty of a little over-simplification here. Certainly, in my study of their report, which was fairly careful, and in my analysis of the study which they claimed to have undertaken on the cost of books in British book shops, compared to costs over here and the conclusions which they reached, and their admission, unless they are hiding something, that they made no attempt to cover the similar price markups on U.S. books, seems to me they have done a most perfunctory examination of the whole process. To that extent the conclusions which they reached were simply uninformed.

DR. JEANNERET: Thanks. One other question, and this is an important one because it relates to what Mr. Camp was asking you on your recent study of the United States market. To what extent did your study include some examination of the restrictive conditions, apart from manufacturing provisions of the Copyright Act, regarding the sources of educational books as far as regulations laid

down by State Boards of Education were concerned? My mind goes back some years to when California insisted on local manufacture as against a New York publisher of textbooks, but we have every level of Circular 14, I am sure, operating as a restrictive influence in the United States in the selection of materials. Did you come to any conclusions on this at all?

DR. CLARKE: This is a very complex problem, you say there is a Circular 14 for almost every kind of jurisdiction in the States. California still insists on California manufacture. By a new law which I think is in effect in California, they insist on warehousing within the State as well. Of course, the whole question of textbook depositories in the various State-run text depositories is a difficult one too, because it builds in costs. The question of offering the same book at the same price to school jurisdictions, irrespective of size anywhere in the United States is an oversimplification, but there is some suggestion of this. This also is a problem we have to face.

DR. JEANNERET: Will you expand on that in the memorandum to us, as far as you are aware of the effects?

DR. CLARKE: Yes.

DR. JEANNERET: Thanks.

THE CHAIRMAN: I must say, Dr.

Clarke, we are giving you a lot of homework.

DR. CLARKE: I think this is a problem I have been concerned about.

THE CHAIRMAN: I was interested in your statement concerning the book of poetry that you understood from the outset that you would not make a profit in its publication. Is that the way you approach this? Does that mean you understood you would make a loss and you are prepared to do so?

DR. CLARKE: Oh, yes. This is true of the bulk of Canadian general book publishing. Up until recently the publisher had based his operation on two main building blocks: educational books, if he sold them at all, if he could get adoption, he could make a profit in the long-run. The importation as an agent of books from Britain or the United States where, too, he could make a profit. The publisher then took the profits and put them into the publication of general trade books. He either did that deliberately or he did that indirectly by apportioning overhead and everything else on general trade books, so the effect was the same.

THE CHAIRMAN: Can I take you another step, then? Do you consider that Canadian publishers feel, or that you feel that you, as a publisher with those two blocks you spoke about, educational text and the agency

importing aspect, both of which make a profit, do you feel you have an obligation to perform in the other area of matters of this kind, poetry or things, or publications that obviously are not going to make a profit? Do you feel some compulsion to publish these things?

DR. CLARKE: Well ---

THE CHAIRMAN: I might use obligation, compulsion, duty or feeling.

DR. CLARKE: I think that is why a person goes into publishing: he has a desire to find things of quality, writing of quality wherever he can find it and to stimulate it and he is proud to publish it when he gets the chance. This is virtually in every field. I feel this in Canada especially where we have a real need of this kind of thing. It is not so much the practice elsewhere where publishers do, say, "I am a publisher of this kind of book or that kind of book", but with the much broader limitations in this country, this is the name of the game. Whether you call it an obligation or simply a burning desire to do this kind of publishing, that is what he is aiming at.

THE CHAIRMAN: Let me follow it along, then, a little further. If one assumes that there is a wide-open right to publish in Canada, I think we started to talk about this a little bit. Everybody has a

right to publish. In other words, anyone can come and set up in the publishing business in Canada, say. Do you consider, if there is a right to publish in Canada, that there ought to be conditions that go with the right to publish? For example, conditions which require a certain amount of the publishing that is done be of Canadian content, or Canadian authorship? Do you think there is any obligation, or should be in that area?

DR. CLARKE: I wonder if you are asking two questions. First, I don't think there is any blanket right in this country to achieve success as a publisher.

THE CHAIRMAN: Not to achieve success. Just a right to publish, go out and start in the publishing business.

DR. CLARKE: Right, okay. Then, I think this is very tough. I don't think that you can create by legislation publishing houses and people who have a desire to make financial sacrifices for Canadian publishing.

THE CHAIRMAN: We have had in the last while some information placed before us to the effect that the foreign-controlled publishing houses, just what we have been told here -- the foreign-controlled book publishing houses in this country, by and large, are staying within particular fields and that, perhaps

with one exception, have not embarked upon novels, publishing novels here that are Canadian authored, or poetry and things of this kind. I wondered if this is the kind of information you could confirm in any way and if it is true whether or not you feel capable, if people came into this country to publish, ought to have some obligation to also get into novels and other high-risk areas, or non-profit areas, rather than just staying with

DR. CLARKE: Rather than that, as I say, I think the picture that has been created here, as you say, from the briefs that have been presented to you, the publishing decision, there has been a great deal said about freedom of editorial choice, but the key that is always in there has been that the budget for the book, the sales projection for the book, seems to be referred south of the border and if approved; in other words, if profitable, then the go ahead is given. It seems to me that to save firms such as this you are going to be compelled, shall we say, to publish so much percentage of Canadian-risk publishing, creative publishing, is to try to make -- I am sorry -- all that comes to mind is a silk purse out of a sow's ear, and that is not exactly what I am saying. I don't think you can, by regulation, create publishers who are going to work to develop

Canada's literary culture. I think that rather than say "Okay, to legitimatize you people you have got to go out and publish poetry whether you like it or not". You should say "We are going to take people who have a skill, who have a desire to be involved in this process and we are going to help them". I think that people should -- regulation does not create healthy publishing.

THE CHAIRMAN: All right. To reverse it, then, could such people be given incentives rather than regulations, incentives to publish Canadian works of this kind?

DR. CLARKE: Well, I am sorry. I say the same thing. I think you have got to seek out people who are prepared because they want to be.

THE CHAIRMAN: You are saying people should have a burning desire to do things which are Canadian, is that what you are saying?

DR. CLARKE: Yes.

THE CHAIRMAN: It is a feeling for the country, is that what you are saying? There is nothing wrong with it, you know.

DR. CLARKE: This is what I am saying.

THE CHAIRMAN: And do you think you will find the same kind of burning desire in the hearts of those who are foreign or foreign controlled that you will in those, the

majority of which are strictly Canadian?

DR. CLARKE: With one major exception I don't think we have seen it to date.

THE CHAIRMAN: Which is?

DR. CLARKE: MacMillan.

THE CHAIRMAN: It is not something ---

DR. CLARKE: The key to the MacMillan brief seems to me lay at that point when MacMillan's, despite a direct order, as I interpret it, and I may be out of my depth here, but despite a requirement from the parent company that dividends be paid, said no, and at that point, to my way of thinking, they grasped the essential problem of publishing in this country, they were going to publish and they were going to build up a Canadian company.

THE CHAIRMAN: I take it that -- we will move onto something on another point. In response, with respect to remarks in which you said if the rest of the industry is forgotten for six months, it may well be finished. This is what you said in terms of financial assistance for Canadian publishing?

DR. CLARKE: Yes.

THE CHAIRMAN: I think I might respond by saying, to the best of my knowledge, all three of us are very much aware of the

risk to the industry. We are, of course, greatly concerned with it. I suppose what you are doing is suggesting to us we make a further interim recommendation that requires that on a broad base, is that what you are saying, that this should be done across the industry?

DR. CLARKE: No, I think that what I am suggesting is that examination be given and either a further interim recommendation or recommendations should be made and I can't presume to say whether this should be a broad interest recommendation or a series of specific recommendations but I think yes, this has got to take place.

THE CHAIRMAN: Because you regard the status of the industry, the Canadian book publishing industry, as being critical and serious enough to warrant such activity on our part?

DR. CLARKE: I certainly do.

THE CHAIRMAN: That is all I have.

MR. CAMP: I just overlooked a question I had here on page 23, recommendation 18 in regard to the provision of working capital for indigenous book clubs. Are you convinced that a Canadian book club is a viable proposition?

DR. CLARKE: Well, I know that in all too few cases, but in some few cases, U.S. book clubs are taking books for distribution solely in Canada.

MR. CAMP: But they backstop that with considerable American material or international English material?

DR. CLARKE: Yes, this is true. I am sorry I am not privy to the kind of enthusiasm that the Book Club of Canada has been able to generate but I think it deserves a fair chance. I think this kind of operation does, I think it is

essential because to this date the exposure given to Canadian books by U.S. book clubs has not been significant.

MR. CAMP: You notice though some significant increase in interest lately?

DR. CLARKE: Yes, I do.

DR. JEANNERET: We have to know when you are recommending the availability of working capital as a loan and as a gift which are two different things and that is, I think, the significance of Mr. Camp's asking the question, how viable could a Canadian book club be?

DR. CLARKE: Well, I don't know when a loan becomes a gift. When I use the phrase "working capital" in my recommendations here I carry with it the full intention that this should be on a repayable basis. I am not suggesting that working capital be a gift. In the event it may not be repayable but the primary intention is as a loan.

DR. JEANNERET: And then we should backstop the fact if it is not repayable that some sort of protection for the public should be contained?

DR. CLARKE: I think the interests of the public may very well be protected by things other than the repayment of the money advanced. The benefit of publishing such as this would certainly, I would think, far outweigh the cost.

MR. CAMP: In the matter of a

Canadian or indigenous book club or book clubs that now exist, do they go by the same practices as, say, the Book of the Month Club, that is to say do they purchase the rights and the plates from the publisher and then make their own determination as to the quantity?

DR. CLARKE: The Book of the Month Club does not do the same for instance either. Alternate choices, A.Y.'s Canada there was taken as an alternative choice. We didn't give them plates or anything, these were books they bought from us -- Wilderness Canada was the same.

MR. CAMP: And do Canadian people do both?

DR. CLARKE: I don't think they manufacture their own editions, I might be wrong, but I don't think so.

THE CHAIRMAN: I have one or two questions. We have been asking -- I mention the odd question -- most of the questions we ask are odd -- concerning whether Canadian book publishers feel that there might be or is need for a body of some kind, a regulatory body to participate in the administration of all the things recommended to us for government participation and we have used from time to time the analogy although it is not necessarily a good one of AC or DC. How do you feel about such a Canadian body if it were to come into existence? What would it do or how do you feel?

DR. CLARKE: I think that the difficulty in Canada, as you gentlemen I am sure realize by now, is that there are so many facets to this whole problem of publishing in this country it is extremely complicated. I think that recommendations that will emerge will undoubtedly have to be in the charge of some group, some body to see that things are carried forward and implemented. To that extent I think there should be an on-going body. You used the word "regulatory" I think. I am not sure what you mean by that.

THE CHAIRMAN: Let us assume I mean nothing but just carry on with what you think. What kind of a body are we looking at?

DR. CLARKE: Well, we have suggested in dealings with the federal government that there be a permanent liaison set up between the book publishing industry and the federal government to enable continuing contact to go on for a period of years. This would be an interdepartmental body of some kind. I think similarly either a body or bodies in the provincial sphere might be established or strengthened.

We had, for example, last October a committee established with the Canadian Book Publishers and the Department of Education which met on one occasion and I think that that kind of consultation has to go on. I think we have to recognize that there has got to be a kind of a

partnership involved here and that requires some participation by government or some body.

THE CHAIRMAN: Bearing in mind -- I was just remarking to Dr. Jeanneret that in order to practice their trades plumbers have to be licensed to plumb and electricians have to be licensed to work with electricity and lawyers have to be -- never mind -- and so forth, I was wondering what your reaction would be to the question of whether publishers ought to be licensed as a condition of their publishing?

DR. CLARKE: I think that painters are not licensed, painters and sculptors are not licensed and these people are judged by what they do and what they create and the public is the ultimate judge of that. Publishing is in the middle ground. It is an art and a craft and a business and it is all these things. I don't think that you can license this kind of activity.

THE CHAIRMAN: I see. And so, following along with that freedom, if that meant the disappearance and the end result that the Canadian publishing industry has an identifiable community in the national fabric would that still not justify the possibility of licensing?

DR. CLARKE: You are asking me a very difficult question. I do not assume that such a situation would ever arise. Unless I misread you, you are somehow attempting to suggest that licensing may be the only way out. I simply

can't accept that.

THE CHAIRMAN: You can't? I am not suggesting anything, I am just sitting here asking one or two questions.

DR. CLARKE: I don't know if that answers your question. As I understand your question if you are suggesting that licensing may in fact be the last resort, I simply can't accept that. I don't think that is a fair statement.

THE CHAIRMAN: So, your position would be that you would be wholly against any kind of licensing mechanism for the publishing industry?

DR. CLARKE: Yes, I don't think it answers any of the problems.

THE CHAIRMAN: Well, there are quite a few problems to answer.

Thank you very much.

DR. CLARKE: Just one final remark.

THE CHAIRMAN: You have a film to show, have you not?

DR. CLARKE: Yes. Two final remarks. The first one is that I think this country wants a publishing industry, I think it wants to read what Canadians put out, I think that for years now Canadians have been ashamed of things because they were Canadian and they were assumed to be second best. I think we are growing out of this now. I think it would be tragic if, just at this very point, Canadians were deprived of an indigenous publishing

industry who shared this same enthusiasm and the same aims. This is what concerns me. I don't think regulations are needed, I don't think regulations are going to do it, I think there is a real desire here but unfortunately just at that very point we are in danger of losing the whole thing.

THE CHAIRMAN: There appaars to be some evidence of that. This is why we are asking these questions. You know, it is a reaction that has troubled me for some time and I wondered what your reaction was. We are, in fact, in this country -- I was reading an article this morning, in 1864 regarding the concern of textbooks, the impact from the United States. Times really haven't changed.

DR. CLARKE: I brought along today a number of things and a kind of reaction against what I took to be in the press and in certain of the remarks made to this Commission against Canadian publishers as somehow lacking in expertise and lacking in a desire to undertake modern educational publishing, modern trade publishing. The books and materials which are behind you there are a cross-section of the kind of publishing we are doing. I make no brief for its excellence but it does indicate a variety of publishing that I think is healthy and that I am proud of, not because I personally have done it but because it is the output of a team that I respect highly.

I have also brought along an excerpt from a video taped much longer program, some two and a half hours which I won't bore you with, but actually about seven minutes of the video-taped program which is of itself a spin-off for the "Ten Years That Shook the World" from a series of film strips. I trust it shows the world that the Canadian publishers, graphic arts people, publishers, designers and producers can publish material which, even though this is a video-taped copy and I understand the sound system is not too good in here, I think, does have considerable bearing and if you would permit me I would just like to show that now.

I will have to ask you to move.

THE CHAIRMAN: How long does it take?

DR. CLARKE: It takes five minutes. Have I your permission?

(Showing of film)

SUBMISSION OF TORONTO PUBLIC LIBRARY BOARD

THE CHAIRMAN: We have with us now Dr. Edmund T. Guest with whom is Mr. H.C. Campbell. Dr. Guest is the Chairman of the Toronto Public Library Board and Mr. Campbell is the Chief Librarian.

Gentelemen, we welcome you. We are running just a bit behind schedule and we apologize for that. We have read over your brief

and if you can touch the high points then we would like to have a discussion with you.

DR. GUEST: You want to question us, or do you want us to throw something at you, Mr. Chairman?

THE CHAIRMAN: Well, we have had many things thrown at us which we challenge by questioning you. So, you tell us what you wish to tell us.

DR. GUEST: We would like to think that you may find this perhaps a refreshing interlude from the endless parade of people who come -- I have no previous knowledge of this Commission, but I know something of Royal Commissions, and my impression is that it is an endless parade of people who come to ride their hobby-horse for you and to ask something of you. We don't come to ride a hobby-horse. We don't come to sell you anything or to ask anything. We only want to draw to your attention four or perhaps five areas in connection with books and publishing that we think you should give further attention to.

I think I will let Mr. Campbell point out those areas.

THE CHAIRMAN: Fine.

MR. CAMPBELL: Well, the brief does try to supplement the things which have been spoken about by other presentations and I think the experience of a public library probably leads us to think first of the requirements of users in Canada, requirements of readers and the requirements of those who are looking not just for Canadian books but all kinds of reading for their pleasure, education and further continuing development.

So we have simply taken two or three areas where possibly you have not had a chance to look at the matter and might go on

to look at it a little further.

As one looks over the statistics of Canadian publishing, there are certain areas that come to light as apparently are very underrepresented in the outlook of Canadian publishers. We have highlighted two of these: the field of children's literature and the field of what we call basic adult materials. These are areas that are of considerable interest because it seems quite strange that in the 1969 information about the total number of children's books published by Canadian publishers, we come up with a surprising figure of 41 books and 25 pamphlets. These are out of something like over 3000 items reported in Canadian publishing.

The other area is that of the adult material for newcomers to Canada who are looking for citizenship material, not simply Canadian citizenship, but the broad field of citizenship. Quite often apparently it has to be imported material which satisfies the needs. We draw these areas to your attention.

A third area where the Library Board has a certain amount of experience is in the making available of out-of-print material. The publishing history in Canada is a long one and there are many tens of thousands of items which have been published. Around 20

per cent seem to be published annually, that is, 20 per cent of the total annual production is of re-editions, 80 per cent probably is new books. This does not mean that we are able to make available all of the things which probably are of value and the whole field of giving further attention to out-of-print material might be looked at.

Finally, an area that has always concerned libraries is that of indexes and guides to published material. We feel that any inquiry into the publishing world, or industry, some question of the responsibility of providing guides to the contents of what is published is important as just producing tens of thousands of new books themselves and other materials. We think the question of indexes, it seems strange we really do not have on adequate index of current knowledge in Canada. We have a very fragmented approach to this and some of the users find this quite inconvenient and probably it is costing us a lot of money to attempt to rectify this on a piecemeal basis.

The final point of receiving readable information material, that is available, I would hope that the Commission would realize the Canadian publishing industry has not as yet moved into this field and it probably presents an area for development. It certainly

has been developed in other countries and probably would be important from the point of view of the libraries and storehouses of material to have Canadian publishers represented there as well.

I think those in summary, are a few of the basic points we wanted to raise really supplementing things which other people have said and if there is anything we can explain in detail, we would certainly be glad to.

DR. JEANNERET: On page 2 you refer to:

". . . the tariff protection offered the French language industry . . ."

I am not sure what this reference was to. Do you recall? My recollection is that the French-language industry is distinguished by enjoying free importation, but it doesn't matter. We can check it. But I thought I had missed a point here.

MR. CAMPBELL: I think the study pointed out the notably different protective operation which happens in French Canada and which is going on currently with regard to sales of books in making it obligatory to have certain protection for the publishers and distributors in French Canada.

DR. JEANNERET: That could exist

when this was written and I thought I had misunderstood the tariff reference. It doesn't matter, but on page 4, where you are referring to more information systems in machine readable form, can you tell us from whom you normally get this type of material and from whom you procure machine-readable data at the present time? Not everybody, but for example?

MR. CAMPBELL: Probably the best example is in the field of science and technology where the quantity of materials being published is so great that they can only be realistically updated on a computer basis. Therefore, over 30 or 40 of the large American learned societies have gone into the field. The chemical abstracts is probably the best example, engineering index. There is an electronic series made available in Great Britain. These are services which include Canadian content, interestingly enough. Canadian material is incorporated into them.

DR. JEANNERET: You are speaking of material available on tape and so on?

MR. CAMPBELL: Octopus scanning

DR. JEANNERET: But machine-readable, and I assume that is on tape?

MR. CAMPBELL: Yes.

DR. JEANNERET: I think we should accept your offer on the study and use of machine readable data, and would ask your executive

secretary to talk to you further about that at some point along the line.

MR. CAMPBELL: The point here is that we are paying for the importation of material we ourselves have produced in Canada which is being then manufactured outside of the country and sold back to us. We could have a Canadian industry that could be doing this compatible with other industries and exchange it.

DR. JEANNERET: Yes, it is a very, very sophisticated thing on the basic type of industry that is suffering such terrific paroxyisms now, that we don't know it will survive. We don't know if a further degree of sophistication could survive on the market but it is worth looking into and we are looking into it.

MR. CAMPBELL: We find that many hundreds of millions of dollars are being spent in Canada on the purchase of materials. There is a large market.

DR. JEANNERET: You say:

> "The practice in a number of Scandinavian countries whereby compensation is provided to translators, authors and writers based on use as reflected in public library statistics. . "

1 That, of course, refers to the public-lending
2 right which we have been looking into. Under
3 the system of public-lending right that you
4 apparently are advocating, is it conceivable that
5 the publisher, according to the terms of his
6 contract, who is published on a speculative-
7 risk basis, might share in any of the fees that
8 that were paid, based on circulation, or is
9 that outside your thinking?
10 MR. CAMPBELL: Well, the
11 reason, I think the Library Board found it
12 useful to raise this question is that we didn't
13 think anybody else would raise it and we
14 thought it should be looked at. I am glad
15 the Commission is looking at this matter
16 because certainly it is a very important aspect
17 of compensation for use of materials. Your
18 specific question as to how the author and
19 the publisher is part of the whole complex
20 nature ---
21 DR. JEANNERET: Might the public
22 benefit as well as the author and publisher?
23 MR. CAMPBELL: Of course, it
24 would be up to the particular arrangements that
25 are made if the publisher is to benefit or not.
26 The Scandinavian one essentially is for authors
27 and translators. It was essentially in the
28 nature of aiding the development of a national
29 literature, and this might have some parallels
30 on the Canadian scene where we are concerned with

the problem of writers who are contributing to the culture.

DR. JEANNERET: Just one other question at the top of page 6, you refer to the rights enjoyed by:

> ". . . libraries and other organizations which use computers to search and distribute information should have the same rights to do so as uncomputerized libraries . . ."

and the wording that is used here could include any degree of copying or reprinting without regard to copyright. Would you mind explaining about what level of access you are referring to there?

MR. CAMPBELL: Well, this deals with the problem which is going to arise as more and more machine-based material comes into use and which is, shall we say, secondary publishing. The question of what rights the public should have to use this will require a good deal of study. We feel that there should not be any necessity for libraries to be charged double basically in the purchase of either computerized, or non computerized materials.

DR. JEANNERET: Do you mean if you bought a second copy of the book you would pay for it and ---

MR. CAMPBELL: In terms of special rights and, for instance, necessarily to use computerized material.

MR. CAMP: Speaking of hobby-horses, this point you made about children's books, which is a very impressive statistic, if not depressing, is there anything you can say about the demand, could you speak to that?

MR. CAMPBELL: We probably thought that in the information presented to the Commission, you would be getting a general picture of educational buying in Canada in the educational market, the volume of use being made of books with children across the entire spectrum of Canada. It just seemed it would be useful to reflect on the fact that apparently such a large quantity, and large amount of material being used with children is not of Canadian origin.

MR. CAMP: Do you have any wisdom to contribute as to the degree to which Canadian children want Canadian books? You only have 66 publication in your system. I take it that is a small percentage of all the titles you have had?

MR. CAMPBELL: These are the titles which are published annually since 1969. No, wait a minute -- it comes to how one copes with this as a public librarian and the answer is, once it starts, much of the bulk of what

is published, because it is not of value, although it floods the markets and can be found on every stand, it is not what children want to read. It is discarded. Of the 300 to 400 new books in the Toronto Public Library System we would buy largely Canadian would be there in top place.

But the many other thousands of children's books that are offered would not be there, they would be discarded.

MR. CAMP: What would be your annual budget for the purchase of books for the library?

MR. CAMPBELL: Children's books?

MR. CAMP: No, all books?

MR. CAMPBELL: For the Toronto Public Library about $560,000.

DR. JEANNERET: And your total budget?

MR. CAMPBELL: About $3 million.

MR. CAMP: You have a sort of ball park figure for any books you want to buy?

MR. CAMPBELL: We know precisely what we are buying. About 115,000 new volumes a year.

MR. CAMP: Do you buy around Mr. Campbell?

MR. CAMPBELL: Does this mean do we buy directly from the American publisher? No.

DR. JEANNERET: That left a lot of room for buying around.

MR. CAMP: I just didn't fully understand on page 3 your observation about published material for Canadian use. Would you just give me an idea of the kind of book you are talking about?

MR. CAMPBELL: Yes, the question of

how a person who comes into Toronto specifically gets to know about our resources and to know about our systems of justice, family methods, industrial system, other people in the country, ways in which they become better skilled in the English language. These are the materials for basic adult citizenship.

MR. CAMP: You say practically all books had to be ordered from the United States?

MR. CAMPBELL: That is right.

MR. CAMP: What on earth would a book from the United States do for a Canadian immigrant in that regard?

MR. CAMPBELL: Well, language materials, if you were to try to find language books and records for the learning of English produced in Canada I don't know of any. We can buy 10 to 15 brands of these from United States publishers. They come with all of the imperfections of another country, that have been designed for another country.

MR. CAMP: In the last paragraph, I think I understand you because it is certainly firmly enough put,

> " ... hope the Commission would agree with it (that is the Library Board) that the role of the public library in the 20th century ..."

And you go on to make the point that nothing should be done to terminate that principle of the

free library and it struck me on reading it that I guess that is about all that is left that is free any more. You have no concern -- there is the problem in regard to the author and the growth of population, growth of library and literary growth, growth of private income but now we have the Xerox machine. We have no commensorate benefit for the fellow who is writing the book and the publisher who publishes. Isn't it fair that the users do not consider the possibility but the users which are a principle in all our society ought perhaps to make some contribution and establish some greater equity?

MR. CAMPELL: Well, it is not as if the publishing is decreasing in quantity or volume.

MR. CAMP: Just in profit.

MR. CAMPBELL: Well, certain Canadian publishing firms are having fairly great difficulties but looking at it from the point of view of provision of materials it is not a fact that the publishing industry as a whole is -- experiencing -- in fact it is becoming more diversified and expanding and more people are being employed in related aspects of publishing and distribution of knowledge.

The growth of the public library, therefore, is not experiencing a great hardship. But the point I think that the Library Board felt the Commission should make is that at some point access to all of this material should be widely

available to the citizens and it has traditionally been the role of the free public library to be free in the true sense that there is no economic bar to access. It is there, which everyone contributes to and which everyone can benefit from. That is the basic principle of it. We think that probably it should be continued and should be re-examined but it has seemed to have stood up over the years.

The second aspect of the free library is that it is free to represent all points of view and all areas of opinion. I think this again is an important factor which can be achieved by access which is not limited by economic ability.

MR. CAMP: Can we test that in any way? It strikes me as an anomaly as perhaps it does you, that the library must be still free and yet in an industry, a Canadian industry anyway, that is suffering from some problems and Canadian authors to a considerable degree are exploited by this kind of service.

MR. CAMPBELL: I am sure that other people through library groups and others coming will reiterate the close partnership that exists.

MR. CAMP: It is like the Crowsnest Pass, is it, the free library?

MR. CAMPBELL: There is a close partnership between the librarians and publishers in Canada which has been mutually supported over the years and obviously should continue to be so.

THE CHAIRMAN: I wonder if you might also see fit to add to the memorandum that Dr. Jeanneret has suggested some dissertation on the point that you raise about the Scandinavian practice whereby compensation was provided to authors and writers and how this kind of system might well be adapted to the library system with which you are familiar and in which you are a full participant? If that could be done it would be most useful. I suppose that you recommend that we go to Scandinavia to investigate at the same time?

DR. GUEST: Mr. Chairman, I think the point here is that these things are being looked into and action is going to be taken, not only in the Scandinavian countries but in Great Britain and correct me if I am in error in this please, but as I understand it in Great Britain there is a proposal that this remuneration to authors based on the amount of use their work gets should be paid by the library; in other words, that has been suggested, hasn't it?

DR. JEANNERET: Lord Atkinson mentioned that recently.

MR. CAMPBELL: I think the point was that the Library Board is not essentially advocating this. We merely want to ensure that you are looking at the problem and if we can be of any help we will be glad to do so.

THE CHAIRMAN: We are looking at the

problem and you can be of help so if you could expand on this point which you have raised I think it would be most useful for us because as we move along it is going to be one of the many points we want to consider seriously. Give us your views on it without prejudice.

I have only one further question. I will put this carefully but you will see I mean probably three things in putting it. On page 3 of your brief, and it has been touched upon, in connection with adult basic education you say,

> " ... it is regretted that English Canadian publishing firms have not seen fit to supply adequate materials."

My question is: Does the same thing also apply to American-Canadian publishing firms?

MR. CAMPBELL: The word really was "English" as distinct from French, not British.

THE CHAIRMAN: I knew that was what you meant but in any event is there any kind of responsibility, do you think, on the part of Canadian-owned publishing firms to provide this kind of material or on the part of foreign-controlled Canadian publishing firms in the English language to provide this kind of material?

MR. CAMPBELL: Yes, we would say there is a great requirement and it should be met and could be met most properly by Canadian-based firms whether American or Canadian owned providing

you get material that is relevant not simply material that is used for Mississippi, California and other markets.

THE CHAIRMAN: If they have not produced this kind of material, have you any idea why they haven't?

MR. CAMPBELL: Well, they probably don't find it interesting.

THE CHAIRMAN: "Interesting" means profitable?

MR. CAMPBELL: Well, it is not the most creative thing in the world although it may be to many people, the most useful. No, I have no solution except it obviously does not attract publishers.

THE CHAIRMAN: They obviously are not doing it, that is the point?

MR. CAMPBELL: Yes.

THE CHAIRMAN: Thank you very much, gentlemen, for coming. We appreciate your very helpful brief and we expect that the memorandum, I guess it will be one memorandum, will be equally useful. Thank you in advance.

We will adjourn for about four minutes, please.

---Reeess.

SUBMISSION OF McGILL-QUEEN'S UNIVERSITY PRESS

THE CHAIRMAN: Now, we have with us, Mr. Robin Strachan, Director of McGill-Queen's University Press and with him Mr. H.P. Gundy, Associate Director and Senior Editor. We welcome you gentlemen.

We have gone through your brief and if you would touch on the high points we would like to discuss it with you.

MR. STRACHAN: I think in the way of introduction I have very little to say. We have made our recommendations. I think I would like to say one thing which is, I hope, not too personal. We have attempted, though obviously we have particular problems in university press publishing, to take as broad a view as possible and there has been some advantage in the fact that my colleague, Mr. Gundy, as most of you know, was an ex-librarian, he was a librarian at Queen's University and I myself had some advantage in having 20 years with Macmillan of Canada before going to what then was McGill University Press.

The only point I am trying to make is that we have, I hope, put up our particular problems. We have put them up as objectively as can be within the general context of Canadian book publishing in which we have both had some experience.

I think that is all in the way of introducing the brief.

DR. JEANNERET: I would like to thank

you both on behalf of the Commission for having prepared, among other things, a short history of Canadian book publishing. I think otherwise the Commission would have had to undertake this but to some considerable degree anyway you have saved us that chore. It is a responsible and efficient outline as far as it goes.

Would you explain on page 13 if you will, what you are referring to when you say,

" Until fairly recently import licensing restrictions prevented books of American origin entering the Australian market."

You are referring to something that I didn't quite follow there. Is there a mistake in terms or something?

MR. STRACHAN: My understanding was that until shortly after the second war it was virtually impossible for books published in the United States to get into the Australian market.

DR. JEANNERET: For exchange reasons probably.

MR. STRACHAN: I think there were import licensing restrictions but I am afraid I have no particular knowledge of this. I know at one time the British importer had a tremendous advantage over the American importer and used this in relation to a difference that had never existed in Canada.

DR. JEANNERET: We will check that out. I thought you were referring to something more recent. I think I understand and sympathize with the situation in your case. On page 15, however, you give a good deal of emphasis to the problem of "buying around" in relation to original Canadian publishing insofar as your scholarly activities are concerned. Would you be good enough to connect the two up a little bit for us for the sake of the record?

MR. STRACHAN: Yes.

DR. JEANNERET: Just to show the interdependence to some extent in your case?

MR. STRACHAN: The first point to make absolutely clear is, in our mind, as in the minds of all Canadian publishers, the

original Canadian book is not easy to define. This is our greatest interest. The fact is that I have, for a good many years, thought hard about the basic economic problems in Canadian publishing and it seems to me that, although -- I am one who is happy enough about it -- the agency business, the building of your own lists with the assistance of outside lists, sounds a little parasitical, but it is, in fact, the only way of getting what I would like to call, and such is so in our case and I think it is fair to say in the case of commercial publishers, this is the only way to get a contribution to overheads which makes real progress viable in the early stages of publishing houses, short of having an individual patron. I am very traditional in my views on this. I do not want to imply that there may not be some other answer. I also do want to imply that the day hopefully may come whem the agency -- and it is coming -- where the agency is not that important to Canadian publishing. It all goes back to living in a country the size we have with a very small population and the practical problem of distribution.

DR. JEANNERET: It gives the small firm the machinery for distributing and billing and the whole publishing operation?

MR. STRACHAN: I think it does. Without going into details, it gives something

more in our particular case as a young University Press. Our connection with, in our case, Yale and Columbia, means something that is intangible in a prestigeous way and also has enabled us to become very quickly what you might call international publishers, about which I feel strongly in scholarly publishing and this is not possible without this connection in our particular case.

DR. JEANNERET: On page 25 you do suggest, Mr. Strachan, in running a campus book store it is a possible way for a university press to make money. I want to make sure you are not referring to Toronto where the cost of distributing textbooks represents an annual cost of tens of thousands of dollars against our subsidized, scholarly research publishing.

MR. STRACHAN: This remark was made with some hesitation. I did think that in a previous brief of another organization there was an implication that this gave some assistance -- again I am talking about contribution overhead, not profit, to the other parts of your organization. Perhaps I ---

DR. JEANNERET: I doubt if any campus book store in this day and age, if it is properly costs, that is, is a source of revenue, unless it moves heavily into food service and women's lingerie and the like. That

does happen in the American college store situation and you can tell that by looking at the N.A.C.S.J., the National Association of College Stores and Journalism.

MR. STRACHAN: Yours probably is properly costed. Unfortunately, campus book stores are seldom, I would say, not always, properly costed and I would question -- I could see a new university press starting up off the beam because they were including in their book store operations and so forth, and not properly costing their book store operation.

DR. JEANNERET: But I would be afraid of anyone assuming that this is a feasible way of doing it, even using the revenues from the book store, because, unless they are subsidized in turn, if it is a true college store ---

MR. STRACHAN: The printing plant is another matter.

DR. JEANNERET: It could be. Just one other point: You discount, at page 33, the possible advantages of coordinating scholarly publishing programs in a province such as Ontario. You don't make any reference, however -- I am talking about coordination without in any way trespassing on the individual imprints that are involved. We want to protect them, academic imprints. You don't make any reference here, though to the trend which has been in

evidence in several places in the United States. Do you comment on such phenomena as the University of Kansas Press or the University of Virginia Press or the University of New England Press or University of Kentucky Press. There are four cases of conglomerates, if you like, in the interests of efficiency.

MR. STRACHAN: Yes. You know this is referring to the suggestions that were, or had already been put forward. The conglomerate I do favour. With this particular thought which originated from Miss Harman's brief I would not agree, nor would I think Mr. Gundy would, with all the thoughts in this. On the other hand, we ourselves, as you know, made a merger which was not quite the same as a conglomerate at the University of Kansas, et cetera, and this, I believe is very workable. There are a number of points in the suggestion in Miss Harman's brief that I could go along with. There were other points I felt definitely had dangers attached to them. I think it is an interesting idea but neither Mr. Gundy nor I found we could fully agree with what was suggested.

DR. JEANNERET: One final question: You speak about the possible role of national wholesalers. I am not sure whether or not you see it as a promotional one or simply as a fulfillment function. Do you assign

to them a promotional responsibility in the sense of expanding the market? Is this their duty or is it somebody to serve the market, and are you promoters?

MR. STRACHAN: It is simply to serve the market. I feel very strongly, and I have been at some disadvantage in being in Montreal and probably not having been fully aware of the recent occurrences which happened to be in Ontario that one can get a bit exaggerated in things like Canadian content, Canadian ownership, at the neglect of thinking of certain purely practical business things that, in my belief we very badly need assistance with. One of these I feel most strongly is in developing in this country -- a brief attempt was made which did not succeed,-- we now have another chance at a truly national wholesaler. I am thinking of this purely from the point of view of servicing, an attempt to halt buying around, which has already been mentioned this morning. I believe that the average library is less interested in what may be a reasonable market but rightly very much interested in being able to place one order with one supplier and what we have got to try and do is build up our own organization.

DR. JEANNERET: If I may end on a slightly facetious note, it just occurred

to me, you have got about two years in which to change your eminently fair 50-50 relationship with Queen's-McGill into a 51-49 one, is that right?

MR. STRACHAN: I may not be as up to date as I can be on the Montreal Gazette. I thought it was a 50-50 one. I thought -- was it even 50-Quebec owned? We can make it on a 50-50 basis.

DR. JEANNERET: We haven't been able to obtain the regulations yet but we have tried.

MR. STRACHAN: The 51-49 would place me in a very awkward position.

MR. CAMP: I gather that really the whole thrust of this submission, or the principal thrust of the submission in regard to the business of "buying around" is preventing it and domesticating library purchasing.

MR. STRACHAN: I would not like to feel the whole thrust by any means was. This, I feel strongly about and not only because I am presently involved in it. Again, I would like to make it clear in my view that it is not so much the amount of money we lose; it is really the serious disorganization which occurs, whereas, if you were handling an agency in this country and you had to decide how many copies of a book to bring in, you are faced with an enormously difficult problem in

printing your own book. In addition, you are faced with the problem when you don't know how many of what you can import and promote. It is simply going to cause revenue to somebody outside. I think it is certainly not the intention to regard this as the main thrust. It is hard -- I went over with Mr. Gundy this morning some kind of order of various recommendations. The international market is one which I feel very strongly about, particularly applying to university press publishing because scholarship is international, and even if you are only going to sell a couple of hundred copies of a Canadian scholarly author in the market across the Atlantic, in my opinion it is worth making a real effort to sell this.

I think we concluded that all our suggestions were about of equal importance, so I would not like to think that this was the main thrust.

MR. CAMP: Well, I didn't mean to say it was and I said "principal" because your examination of the problem and the delineation is given early in your submission and runs all the way through to the end of it.

I did want to ask you a question in regard to that. On page 15 you say

"The one effective way to

reduce 'buying around' (and you give two) is by governmental pressure on those who practise it . . ."

which would make it extremely difficult. I wonder if you could elaborate on what you mean by pressure and the sort of pressure you are talking about, legislation?

MR. STRACHAN: Well, as I think I have said legislation is something that in a free enterprise country is extremely difficult. We are seeing something in fact at the moment which is very interesting or a few days ago and I am not quite sure quite candidly I fully -- well, I am not in the position I think to comment, but I do feel that we are concerned more than any other with university libraries and I do feel that in cases where university libraries as part of the university are getting heavy runs from provinces and we are seeing, because the university press is a part of the university, a lot of revenue go outside the country and I can't define pressure, I think it is something that should be of interest to the government of this province because the satistics, how correct or not they are -- they are probably the best statistics derived from the various reports -- do show a remarkable loss of potential revenue through what we call buying around.

MR. CAMP: Your brief brings up an interesting reminder which was that the O'Leary Commission originally recommended that scholarly publications be allowed postage free rights.

MR. STRACHAN: This, as you know, sir, you probably know the situation in the United States.

MR. CAMP: We intend to follow that up. I wonder if you could clarify that? What is

the basic determination in the United States as to these special rates?

MR. STRACHAN: I think Dr. Jeanneret may be able to do it.

DR. JEANNERET: The one we call C-3.

MR. CAMP: In other words, material from non-profit organizations?

MR. STRACHAN: Yes. It is the broad definition of this that I am not sure about, except that all university presses qualify for this and other organizations too.

MR. CAMP: In other words, it is not specially applied to publishing?

MR. STRACHAN: No.

MR. GUNDY: The O'Leary Commission, I might add, recommended that cultural publications which were not necessarily scholarly publications in the narrow sense should be given free mailing privileges if they had a limited circulation and were non-profit. This was of particular interest to the Queen's half of McGill-Queen's University Press as we publish a journal which is one of the oldest academic journals in North America which has an international circulation of about 2,000 which does not qualify for a subsidy under the Canada Council because it is a narrowly specialized scholarly publication and yet which has to be subsidized by Queen's University in a very considerable amount and it seems to me that the O'Leary made a very sensible recommendation which we

would like to include in our recommendations for improving scholarly publishing in Canada.

MR. STRACHAN: This, if I may add one word, is by no means unique. I think such publications as the Yale Review does not qualify as a scholarly publication simply through lack of specialization. The same goes for as far as we are concerned, the Literary Journal. We feel this is an important matter.

MR. GUNDY: There are other journals other than Queen's. There is the University Review, Couture, published by the University of Ottawa, there are a number of these in Ontario and elsewhere.

MR. CAMP: What does "trade follows the book" mean?

MR. STRACHAN: Well, one of the points Sir Stanley Unwin was making -- and I think he made it at a speech in Vancouver -- and it has been most quoted and I hesitated before putting it in is that where you can sell your books a lot of those books can promote trade in many other things. In fact, he was making the point that the book was a very important means of penetrating the particular country abroad with other goods.

MR. CAMP: We might be a good example of that ourselves. You have an interesting proposal here. I understand at one time, as a matter of fact, that the Department of Education in Ontario had established some kind of a booklift to the

Caribbean which contributed quite a substantial supply of textbooks to various countries in the Caribbean.

MR. STRACHAN: It is a matter of under-developed countries.

MR. CAMP: Yes, you have an interesting analysis and the suggestion that the Canadian government could use this as part of their aid program. I wondered on reading it if such a policy would not in itself be an incentive to over-print but as you say it is a solution.

MR. STRACHAN: It might be an incentive to overprint but it would also make the difference between the kind of book that comes our way and comes to any university press' way where you feel this book ought to be put into print but with costs the way they are these days you are faced with the printing of 750 copies and this means a price that makes that book prohibitive and probably it does not get published. It would be a way, perhaps a small one. I don't think it would encourage overprinting. I think too many publishers have been caught with over-printing. I would be very interested in Dr. Jeanneret's views on this.

MR. CAMP: Before we have his views, if you were publishing a book in Canada in which your optimistic anticipation was the sale of 750, I wonder how many you could usefully distribute in underdeveloped countries?

MR. STRACHAN: This is perfectly true but still the difference between a printing of 3,000 and a printing of 4,000 makes a great difference.

MR. CAMP: Does it effectively decrease the cost of the book?

MR. STRACHAN: Oh, yes.

THE CHAIRMAN: Mr. Camp is speaking about other underdeveloped countries.

MR. CAMP: No, that is not right, Mr. Chairman. That is all, thank you.

THE CHAIRMAN: I was very interested, Mr. Strachan, in your reference to Canada as a free enterprise country and I wondered whether you were in any way generally aware, to use Dr. Jeanneret's word, of the plethora of boards and commissions, legislation, regulations by which we regulate industry, trade and commerce right through from the commerce that we were talking about through the movement of eggs and chickens across borders to transportation or whatever you have and if you would care to comment on that in relation to your definition of "free enterprise"?

MR. STRACHAN: In a comparative way --and I am out of my depth in answering your question -- I would have said we were still pretty free enterprise. I have in mind, and no doubts about it, the situation for example in Scandinavia where the book business is highly controlled and

apparently it flourishes but I am not sure that the means whereby it flourishes are the best of all means. I think if a book seller wants to start up in an area he first of all has to get a licence which is based on the number of other book shops in that area and there is very real control.

THE CHAIRMAN: I thought that your indication about the postal differentials between the United States and Canada was most useful. This is really the first time it has been put forward.

MR. STRACHAN: I trust that these are the latest actual figures but I can't swear to them and there are changes at the moment as you know going on in the United States, but I think these are correct.

THE CHAIRMAN: I was interested in your comment on the bottom of page 22 and the top of page 23. This had to do with the manufacturing clause. You say:

" Agitation for amendment to exempt Canada from the clause has been going on for about four years but it is believed that opposition to amendment is now limited to the U.S. printing unions and that the American Book Publishers Council will fully suport any Canadian pressure."

We have been told by American-owned businesses here that their unions support the amendment. We are wondering if there is any evidence

you have which would indicate to us that they do or do not support the amendment in the United States.

MR. STRACHAN: You mean the American book publishers?

THE CHAIRMAN: The U.S. printing unions.

MR. STRACHAN: I have certainly no evidence of support there and I hesitate very much in speaking to this because opposite me is someone who knows a good deal more of this labour situation. I do understand virtually unanimously the American book publishers are in support of this, what I might call, quite openly pernicious clause which is a very great handicap to the development of Canadian publishing. But your impression is that there is some printing union support?

THE CHAIRMAN: Well, they have told us, the Canadian trade unions in the printing industry have told us that their American parents have supported the attempted amendments and I wondered if you had heard anything to the contrary?

MR. STRACHAN: I think I am right in saying that there was some hope that the changes that were made a year ago, and it might still be where it is through pressure of other business, but I should hope that within a year or two at the most it is going to go through because it is a very serious handicap.

DR. JEANNERET: The manufacturers are worriers.

MR. CAMP: Speaking of the problem of foreign takeovers which leads to your discussion of the recent merger of Ryerson and McGraw-Hill, so that I am satisfied that I understand you, you are making a distinction between what you consider to be a good takeover and a bad one, the good being one in which the management would be Canadian and run by Canadians, whatever the parent company. This would indicate to me that you consider McGraw-Hill such an enterprise?

MR. STRACHAN: Yes. I think I am right in saying that McGraw-Hill Company was incorporated in Canada in 1948. I also understand that my old firm the Macmillan Company is on some black or gray list at the moment. It was established in 1905 or maybe 1910. I find myself having fairly strong views on what could be called a Canadian publisher and what can't be.

MR. CAMP: Could I ask you to explain the black or gray list?

MR. STRACHAN: I am told in some regard it is not regarded as a Canadian publisher because as is well known the control of the Macmillan Company of Canada still rests in the hands of the parent company in London and again, without -- one thing I do know is that there has never been the slightest editorial interference except in one case of a well known Canadian author

who was published in Canada and Macmillan's wrote a very brief letter to Sir John Gray in which it stated:

" Dear Gray:

I am surprised you published this book. It is a rather bad one."

And within six months they had to do an edition on their own in London.

We felt that this was -- they helped us to add these to our building on Bond Street. I may be quite wrong. I think somebody told me that Macmillan was a little suspicious in the early days.

MR. CAMP: So by -- will you expand a little on your definition of what the Canadian publisher would be? I take it in your view it would be a firm which is managed by Canadians, run by Canadians and enjoy a large measure of local autonomy?

MR. STRACHAN: And is publishing original Canadian books as well as the books its principal publishes.

MR. CAMP: So that anything in your discussion here in your recommendations, would be applied to the entire publishing industry, Canadian publishing industry by that definition?

MR. STRACHAN: Provided that some of the stories -- and I personally question them -- about editorial control of some of the American-owned companies have been very greatly exaggerated. There was a great deal of talk, or press talk, about -- I think not a great deal but there was talk about editorial control from New York of McGraw-Hill of Canada. My personal -- and I am afraid my rather distant view of this -- is that this is an exaggeration.

MR. CAMP: We have not found anybody yet who would admit to that kind of control.

MR. STRACHAN: I am very glad. I think there has been some exaggeration.

MR. CAMP: Has there been a policy, however, of help or public assistance to publishing firms, it would seem to be some questions as to whether one should treat an indigenous publishing firm or give to an indigenous publishing firm, say, benefits that one would give to a Canadian-based publishing firm who can draw upon other resources?

MR. STRACHAN: I think my only answer to this is, again -- being away from it now -- to cite the case of MacMillan of Canada, which probably made as big a contribution to Canadian publishing as anything has, and yet cannot be said to be Canadian-owned as a publishing house.

MR. CAMP: One would have a choice, of course, as to whether they would apply for a government loan which is available on the long-term forgivable loan to build a warehouse or whether they assumed, perhaps, the parent company should be encouraged to do so.

MR. STRACHAN: Oh, yes.

THE CHAIRMAN: Gentlemen, thank you very much. We appreciated the opportunity

to be with you and the talk that we had. It was most helpful.

SUBMISSION OF PROFESSOR VINCENT BLADEN

THE CHAIRMAN: Professor, Bladen, we are glad to have you with us and would be obliged if you would speak to your brief and then discuss it.

PROFESSOR BLADEN: Gentlemen, this is a purely personal brief.

May I introduce myself: Professor emeritus in Political Economy, and Dean emeritus of the Faculty of Arts and Science, in the University of Toronto. May I add, as evidence that I have not resided exclusively in the Ivory Tower, that I have been very closely concerned with one industry in the last ten years: As Royal Commissioner I started the dialogue that led to the Canadian -- U.S. Auto Pact, and as chairman of the Adjustment Assistance Board I have been involved in a program of assistance, and particularly of lending, to the automotive parts industry.

In the brief I have indicated my experience in arranging for the publication of scholarly works over the last forty years. This is the basis of my plea for provincial

support for scholarly publication, possibly through the agency of Province of Ontario Council for the Arts, to supplement the grants made by the Canada Council, and those provided by universities, university presses, and private publishers. Perhaps I should add and private benefactors, having in mind the munificent benefaction of the Nicholson family which has made possible the Canadian Dictionary of National Biography.

I address this plea to you because I believe that such support would be a useful element in the financing of the Canadian publishing industry. To be effective for this purpose the grants would have to be very much more generous than those made by the Canada Council which simply reduce the loss to the publisher of such books: they should be large enough to enable the publisher to earn some contribution towards his overhead costs.

Though my plea is for the support of scholarly publication about the need for which I know a great deal, I suggest that the same machinery might well be used to support "literary" publication for the benefit of Canadian authors and Canadian publishers.

May I say at this point that I am confident, on the basis of long experience, that such support has not, and need never, involve any interference with the liberty of

authors or publishers.

Because I have a strong belief in the effectiveness of the market economy and of free enterprise, I felt impelled to explain briefly why I argue for subsidy (i.e., interference with the free market) in this case.

Economists have long recognized that there are some industries where private production of a commodity yields social benefits surpassing the purely personal satisfactions of the consumer who buys it. We refer to these as "externalities" or "neighbourhood effects". Since the value of the social benefits cannot be recovered by the private producer, fewer of such goods will be produced than is socially desirable. In my view it is the duty of governments to identify such goods and provide means by which free enterprise is induced to respond to such social benefits.

Now in what sense are there "neighbourhood effects" in scholarly publication? I suggest the following items:

(1) I have said in my brief that without the hope of publication scholarship languishes. I now add that without scholarship, higher education becomes sterile. So one of the neighbourhood effects is on the quality of the university education of this country.

(2) The works of scholarship become the basis of textbooks at lower levels

of education. There can only be a sound Candian content in these texts if there is a flow of knowledge about Canada; and a flow of Canadian research on non-Canadian topics contributes to an interpretation of the world outside through Canadian eyes and relevant to Canadian problems, which interpretation gives Canadian colour and enhanced quality to our school texts. Here again a neighbourhood effect, on the quality of primary and secondary education in this country.

(3) It is not only textbooks but also general books that build on this scholarly foundation. Ask Dr. Pierre Berton how much he depends on the published research of scholars to provide the facts on which he reflects in writing his literary books.

(4) I have argued in a paper on the Financing of the Performing Arts (prepared at the request of the Canada Council) that a nation requires heroes, and particularly international heroes, if it is to develop unity, self confidence, and a sense of identity. We get benefits which cannot be measured and certainly cannot be recovered by the publisher when one of our Canadian authors achieves international fame. The gold medal for the most beautiful book published in the world, that was awarded last year for the Economic Atlas of Ontario, is important in developing

the self confidence not just of the scholarly community but of the people of the province as a whole. The subsidy required and provided, in my view wisely, by the government of this province was very large indeed.

DR. JEANNERET: Really, Professor Bladen's remarks are all so pertinent that I felt anything I might add would be impertinent, but my one concern, it is a dilemma, not a concern, Professor Bladen, is if the Province of Ontario Council for the Arts, for example, or some such body were furnished with if not all the necessary additional funds to support scholarly publishing, at least some part of it, the problem would be one of how to allocate them equitably, obviously. Would you like to comment on that? I would welcome it very much. It is a problem I have been wrestling with for many years, as you know, and it bags all kinds of charges of favouritism and so on, depending on how it works.

PROFESSOR BLADEN: Of course, it is a problem, but the Canada Council has, I think, performed very largely to the satisfaction of the scholarly community, and I think perhaps the general public.

In my brief I did indicate that there would have to be some change in the character of the Council if this extra duty -- not quite an extra duty -- I think in some sense

already it is within the terms of reference, but they have not the money to perform it and, therefore, it is almost properly referred to as an extra duty. I think there would have to be some change in the Council, but perhaps more important is the change in the officers of the Council, for there would have to be some particularly, at least, one man familiar with the area of publication as scholarly publication and familiar with the established practices of refereeing. The Canada Council does not side to support this or that publication. The officers of the Canada Council have an advisory committee. The advisory committee even does not make the decision. The advisory committee selects referees, usually three, who submit to the committee, not simply a vote yes or no, but a document frequently of several pages in length arguing the quality, estimating the quality and arguing the importance of this particular publication. It, therefore, requires quite an elaborate machine, but it is a machinery with which, as I say, the Canada Council is familiar. It is a machinery with which every university, and not only university presses, because constantly it is having to establish for itself the quality of either works of scholarship or it may be of laboratory equipment which may or may not perform. I am not sure that answers it.

DR. JEANNERET: I think it is excellent. I think I might add one observation because Professor Bladen is too modest. He alluded to the Economic Atlas of Ontario which won a prize of most beautiful book in the world, and which will never happen again in our time. If he had not personally negotiated the support that required, that book would not have been published and I would like to thank him publicly at this time on behalf of the Canadian publishing industry.

PROFESSOR BLADEN: And something of which I am very proud and I think I describe myself in my brief as an entrepreneur.

MR. CAMP: I had the same hesitation and even more. I think the recommendation is very clear and the argument is concise and clear. I don't think I have any real questions. I have some difficulty in my mind. I can see where scholarly works can be judged, as you say, by ones peers. There is a difficulty, I think, in finding peers for literary works.

PROFESSOR BLADEN: The Canada Council has achieved this. I must admit some of the things that get published disgust me. You have to -- it is a difficult -- there is a dilemma to avoid undue restriction on some modern trends, but in general, and recognizing that there will always be mistakes,

I think one can set up a responsible group who will make sound judgments in, say, 90 per cent of the cases before them.

MR. CAMP: Not to say that I am not pleased that you included literary works in here.

PROFESSOR BLADEN: When I first decided to make this plea, I was thinking purely of scholarly works and indeed the plea initially might have been made to the Province of Ontario, rather than to this Royal Commission. It then occurred to me that action which would help in the area where I am interested, scholarly publication, might make a contribution in the area you are interested in, support of the industry; whereupon I then began to think of the literary, the relevance of my proposals as to the literary aspect.

I don't know if it is proper for me to throw in another point, and I am not sufficiently aware of the economics of this industry, but when I say to myself that I have experience as Chairman of the Industrial Assistance Board, I wonder how far a Board which has funds to lend in my scholarly plea I am talking about subsidies, but there are industries where the problem is not subsidies, but is really arising out of an imperfection of the capital market. It is hard to raise capital, term capital, which can be profitably

employed on terms that are reasonable when the amounts required are relatively small. Therefore, as a lender to the automotive parts industry, we have not been subsidizing; we have been making loans at 2 per cent above the cost of money to the government. To people who have proved to us that they cannot borrow from the normal market, the banks and investment houses, on terms that are reasonable, I would say the rates would be very much higher and the terms of repayment very much more onerous. Whether any such organization would be useful in the publishing industry is something I don't know, but again I can say on the basis of experience that it is not difficult to establish a board of intelligent people who will make sensible judgments and who will not confuse lending with subsidizing. This is really -- as I say, this is not in my brief but having introduced myself that way, it occurred to me it might be of some use to you.

MR. CAMP: Did you examine the possibilities of rationalizing the publishing industry in North American with the automotive parts industry?

PROFESSOR BLADEN: Thank you.

THE CHAIRMAN: I have just one or two questions, I suppose half comments too, Professor Bladen. I was interested when you started off, I thought you were very modest when you say you had started a dialogue between groups and I wondered immediately if it will be our loss, if we have a loss, to really, in effect, do much more than that ourselves but in any event I thought that your choice of words was really quite well taken.

I was interested in perhaps one or two things that you might have expected I would be interested in. In any event, you made reference to the need for national heroes. Could you tell me please what is a national hero?

PROFESSOR BLADEN: Well, too much in the past it has been a Nancy Greene or a Jim Elder. Now, Jim Elder is a great friend of mine, I admire his equestrian skills enormously but John Vickers is also -- the trouble he is an international hero and we have lost him.

THE CHAIRMAN: Do we not lose our heroes in the same way?

PROFESSOR BLADEN: We have lost too many of them and we don't need to lose any more and in my report to the Canada Council what I was arguing was, for instance, that the value to Canada of sending the National Ballet Company to Europe is in part that Veronica Tennant may well become a national heroine.

Now, as I wrote this to say to you it occurred to me afterwards -- I wanted to be brief but I might have indicated the scholar as having a twofold role. In part his role is to create for us the heroes. In part he can be a hero. It is dangerous to talk of people but what Donald Creighton did to recreate for us, John A. Macdonald as a Canadian hero is important in this regard but in some sense I think I am inclined to say that Donald Creighton, the scholar, is himself a Canadian hero and that some at least of these people whom I am talking about are not just diligent, perhaps often imaginative producers, of esoteric books that will only be read by a very small number of their peers throughout the world but some of them are in themselves doing really exciting things and becoming internationally known and adding greatly to the lustre of Canada and at some stage Canadians become aware of the fact that they have got scholars.

I suppose the most obvious case, of course, is Harold Innes.

DR. JEANNERET: And McLuhan in his way.

PROFESSOR BLADEN: But Mr. Innes is becoming the first President of American Economic Association. Harold Innes, the publisher of his works certainly didn't make any money and he certainly had to be subsidized but the contribution of Harold Innes is not just in the

understanding of the complication of communications, but it is also the creation of a Canadian identity.

THE CHAIRMAN: We are indeed honoured to have you with us, Professor Bladen,and the very wonderful presentation will be very useful.

---Adjournment.

--- The hearing resumed at 2.00 p.m.

THE CHAIRMAN: Well, gentlemen, I wonder if we could begin. We have with us The Book Society of Canada Limited represented by Mr. John C. W. Irwin, Chairman of the Board Mr. John W. Irwin, President. Gentlemen, we welcome you here and as you are well aware our procedure is if you would talk about the principal points you wish to stress in your brief and then we would like to talk with you.

SUBMISSION OF THE BOOK SOCIETY OF CANADA

MR. IRWIN SR.: Thank you, Mr. Chairman, we have agreed between us that I would carry the burden of the brief and the questioning and I will refer to my father certain questions which you wish to direct to him.

We are very glad to appear before the Commission and appreciate the invitation extended to us to do so. With your permission we will comment on our main brief first and invite your discretions in discussion of it and as well a discussion on the interim brief submitted on April 19.

Our brief describes The Book Society of Canada Limited as a publishing house owned and controlled in Canada, specializing in the publishing of educational material at the el-hi level.

Our firm began as an importer of

books from other countries for service to schools and to libraries. However, within the first year we began publishing a Canadian list of public and secondary school materials. In the early 1960's, 80 per cent of our sales were of our own publications. This happy position is deteriorating rapidly because of a number of factors which we enumerate in the brief, firstly, the increased competition by foreign firms that have recently incorporated in Canada which are promoting, among others, foreign publications and taking much of the funds previously available for the purchase of Canadian books.

There is a tendency on the part of many Canadian educators to think of foreign books as superior to Canadian books. Secondly, the change in buying habits of our educationist customers. The purchase of class set quantities of basic textbooks has given way to the practice of purchasing a few copies of many titles. Canadian books need to sell well in Canada and this trend is making it very difficult to publish indigenous material. Many books are foreign publications that have had their financial success outside of Canada. The points of production grants across Ontario, the amount of money spent on books has not been increased in recent years. In some jurisdictions it has been drastically decreased.

The stimulation grant which was given when it was spent on books in Circular 14 was

discontinued in 1969 and the amount previously designated for books put into the general grant. This coincided with a substantial reduction in the amount of money spent on printed materials for Ontario schools.

Amother matter that we deal with, increase in the widespread photocopying of available copyright material. The amount of photocopying has increased because of reductions in grants for materials, because of the availability of much more sophisticated copying machines, widespread distribution of these machines and, of course, other reasons.

Teachers who have ordered class set quantities of books sometimes find the quantity cut by an administrator and so resort to making the necessary additional copies of any text they need. Only last Thursday an experienced grade 1 teacher in the Metropolitan Toronto school area told me that requests for second volume readers was disallowed by the board. She needed an additional 20 or so copies for her class so she photocopied what she needed. The dollar volume of our business has decreased only slightly since 1968 but the amount of this that has resulted from the sale of Canadian materials has been cut in half. Our sales of foreign material have greatly increased.

In the brief we discuss the problem of exporting Canadian publications and point out that

the welcome that many Canadian educators give to U.S. books is not reciprocated south of the border.Despit this we have managed to have some 26 of our titles taken by United States publishers acting as our agents. There is a lack of working capital to proceed with the establishment of the U.S. subsidiary which we consider necessary to reach the U.S. el-hi market.

Then, Mr. Chairman, our recommendations are very spelled out in the brief and I do not think I should read them.

THE CHAIRMAN: We can discuss those with you but you made reference at the outset that you wanted to discuss the interim brief as well. Do you want to discuss that?

MR. IRWIN JR.: My suggestion was that we do that after the presentation of the main brief.

THE CHAIRMAN: If you would do that now and then we can go at it from that point.

MR. IRWIN SR.: Following the public announcement on April 15, we submitted on April 19 an interim brief expressing our grave concern about the conditions of the proposed loan to McClelland & Stewart on the grounds that we felt that they would affect the competitive position of all the publishers providing educational materials in the Province of Ontario. We wish to make it very clear that we are not protesting the intent of the Commission. We commend the

Commission on taking speedy action and the government's sympathetic action. We are not objecting to help being given to McClelland & Stewart.

Our own situation, which you will read about in our own brief, makes us very sympathetic. We are gravely concerned, however, that all assurances that this is not intended notwithstanding seems certain to us that the provision for the implementation of safeguards of public investment in McClelland & Stewart must lead to special treatment for that firm. El-hi publishing is apparently very different from trade publishing so we have heard this morning, in that the decision to buy or authorize is susceptible to our idea of -- over the years we know a variety of instances in which committee decisions to authorize a book have been set aside by officials. Whether this is done under political direction we cannot say except in the case of the much publicized instance in British Columbia where a committee's choice was reversed in the Legislature of that province. Publishers of materials for elementary and secondary schools do not expose these situations for the same reasons they are reluctant to prosecute those who photocopy educational material, instead you lick your wounds and then you try again.

That is our copy of the interim brief.

DR. JEANNERET: Well, I will take them up in the same order. On page 3 in the fourth paragraph you imply that foreign educational books are necessarily more ornate than those published in Canada. I think I understand what you mean but you might like to enlarge lest it be assumed that Canadian books must necessarily look dowdy. I don't think that is what you mean but it comes out that way.

MR. IRWIN JR.: Dr. Jeanneret, this is not intended as I suppose many Canadian educational books are more nicely produced than the average U.S. educational book. However, colour can be used and there is a large potential market. This has put some question beyond what the paedagogical advantages of the textbook would be.

DR. JEANNERET: On page 7 you begin under "Paedagogy" saying:

" It is no our purpose to comment on the desirability of those changes in educationsl philosophy that have resulted in the change in buying habits for educational books from the purchase of substantial quantities of certain basic text and reference works to the present practice of purchasing fewer copies of many more books."

To some extent I think we have covered this partly,at least, in your preliminary

presentation but really if you don't comment on this, I don't know who is going to.

I would like to know if you believe that the change itself is desirable paedagogically if you like, and if you feel it is a retrograde step except perhaps in the case of superior teachers. We have heard that suggested on occasions and that for average or below average, if there are such things, teachers, this is a retrograde step. Would you comment a little on this?

MR. IRWIN, JR.: If I might begin, my father might comment also. I think there are more and more signs that the average teacher needs the guidance of a curriculum set out in a fairly well-structured book. Some of what we are seeing in the schools now, in my opinion, demonstrates an unfortunate result in the almost enforced freedom, that has been forced on teachers because of the unavailability of the right books.

DR. JEANNERET: Freedom of choice has gone too far?

MR. IRWIN, JR.: With some teachers. Some teachers have always had freedom of choice. Will you comment, dad?

MR. IRWIN, SR.: I think that is a fair expression of my summary of the situation, Dr. Jeanneret. Over the years I have seen many ideas come in and be proclaimed as the gospel and then fade away. I think this is a passing phase and I think there are elements of it that are good, but whether it will be maintained in its relation to our business, it is impossible for us to foresee. We have to recognize that it is here and adjust our business to get more of the market.

DR. JEANNERET: On page 8 you put your finger on a problem that we have discussed before, but I am surprised at the result that you attribute to it, although the

situation concerns me. You imply that the unearmarking, if I may coin that word, for textbook grants and the incorporation of them in the per capita grants, resulted in the spending of these funds in copying of copyright materials. I have no doubt a good deal of the latter goes on and I know it goes on. I realize it is a very serious problem, but surely this does not deserve number one priority in the uses other than book purchasing to which such monies could be put. What about teachers' salaries, capital equipment, buildings and so on? Surely this has been crowded in a little bit as a result. It is important, but you don't say this is the immediate, correct and only result.

MR. IRWIN, JR.: There are numerous notable examples of how this has happened, how that money has been spent.

DR. JEANNERET: On page 15 you have been talking about Circular 14 and I don't know whether it relates directly to page 15, but generally through your submission. Would you be good enough to go on record as to what your position is, the position of the Book Society on the question of Canadian content future of Circular 14? Do you favour it, when they issue Circular 14, do you favour Canadian authorship, Canadian manufacture -- I was going to say rule -- the Canadian

preference that exists in Circular 14? What is your frank position on this question from the standpoint of your firm?

MR. IRWIN, JR.: Circular 14 has been a very considerable help in the stimulation of writing and stimulation of the sale of Canadian-produced materials and to the extent that they choose to do that, of course, then we are in favour to it. Do you have a comment, dad?

MR. IRWIN, SR.: No.

DR. JEANNERET: Well, then, with respect to your supplementary brief, I am not quarrelling with it. I just have a couple of observations to make. We have already pointed out that one would have to discredit the selection procedures as used by the Department on the grounds that they are not objective and that is one criticism that has not been levelled against them. It has been suggested on several occasions that they might be streamlined in some way, but you have now sought to discredit the objectivity of the Department of Education and I don't think any educational publisher has done this with any Department of Education, as far as that is concerned. I don't think it would follow that a forgivable loan, or if something of that nature were given or issued, and this has happened in your industry, as you know, related segments of your industry that

such a firm would be prohibited thereby automatically from entering into government contracts. Apart from that, I want to make one observation which might lead you to accuse the Commission of being facetious, and I don't think we have been facetious at any point in our handling of things. I have given a great deal of thought to this question and it is inescapable that you must come up with an alternative solution in a tough situation. This has not been brought before us. People have protested, you have protested that you wish a firm that has been helped no harm, but the fact remains that harm will come if something is not done. I took the liberty and jotted these down when I left the other night. " No publisher should get a loan for less than I can get it for. A right solution clearly is to bankrupt my competitor." That is really where you lead us, as I see it. You would perhaps care to comment on that?

MR. IRWIN, SR.: You have covered a number of things, Dr. Jeanneret. First you opened up with a suggestion that there might be the implication that the modus operandi of selecting books was subject to criticism, and you have inferred, I think, that you think ---

DR. JEANNERET: Subject to bias.

MR. IRWIN, SR.: Yes. Well,

one hesitates to discuss the situation in Ontario, except that I can say there has been this instance of it, but over the years I have seen in various places cases where the right book has been selected by committees, and after a considerable interval, the curriculum director or the Minister, or whoever, has taken it right out of the committee's hands. I suggest to you that a committee that is an academic committee under the Department of Education of Ontario, can only make recommendations if the powers that be do not see fit to implement them, when the committee can do nothing. The committee has no strength ---

THE CHAIRMAN: I would like to comment that that is exactly the same kind of position as the Commission finds itself in. We do no more than make recommendations.

MR. IRWIN, SR.: Well, then, we are equally helpless. Someone has said this morning -- not necessarily this morning, but has said that if there were obvious unfairnesses that the publisher being discriminated against would get up and scream. This is not the case. Publishers are in business and, as my son used the expression, they just lie down and lick their wounds and can't do anything. It is quite wrong to suggest that a publisher in Ontario can protest. Individuals are sensitive and we want

to be in business for a long time and people have long memories. I hate to say anything more, Dr. Jeanneret. I can, but there is also a situation -- if you take McClelland and Stewart, taking it to its worst possible implication or worst possible sequence, that they were taken under control. In our business of submitting books competitively, we are in the position that a particular firm may have the recommendation of its book for a whole year or year and a half, or quite a bit longer before other books which are considered equally useful on the list are brought into recognition or approval. I am just mentioning these as methods by which discrimination can take place. A firm like ours could not shout to high heaven if our book does not go on right away, but somebody else's book might go on, even though ours is ready. The whole market can be dominated by that first approved book. In addition to that, of course, not only will it be dominated, but when new books come out they are not necessarily for economic reasons, particularly not siezed upon by the teacher clientele as replacements of the original are quite often, money is used for replacements of the original.

DR. JEANNERET: If you equally had the chance of being the publisher of the original?

MR. IRWIN, SR.: This is quite true. I am trying to be entirely fair in every way. In other instances I can remember the case of a book we had of Clarke, Irwin many years ago where all of the committee decided that our book was the approved book. However, the then senior education officer had a favourite educator in his jurisdiction, who was also writing a book and he deliberately set aside the adoption of our book, the official approval of our book until the other book was ready, and it was the favourite son's book and got the nod. I can enumerate many more instances of this and these are all subject to verification, if you want. I am sorry, Dr. Jeanneret, there is another point you made and I forgot. I don't remember what other point you made. I have forgotten the other point because I didn't make a note of it.

I know. About bankruptcy. Please, we are not concerned. McClelland and Stewart have been friends of ours and they are competitors in a small way. We are as large as they are in the educational field, if not larger, and I think have done far more important educational books than they have, so there is always room for more. We do have ten multi-national publishers now on our competitive books, so the elimination of McClelland and Stewart would not make

practically any difference.

DR. JEANNERET: This does not cancel the force of the opposite argument, does it?

MR. IRWIN, SR.: We were simply concerned, if I may go further, with not that McClelland should not be given the money, although their condition is considerably different from ours. We have not overpublished so that our obligations to suppliers are within control, but we could not see how, if the Commission made these restrictions on McClelland, we really are asking McClelland has a better deal than what has been given them, because if we, for example, were getting money for legitimate publishing, we would not want a type of control that is being suggested for McClelland and Stewart.

THE CHAIRMAN: There are two or three tie-ups which I would like to make, I suppose, in question form. Is it really your company's position, notwithstanding the interim brief, have you not set out on page 13, when you say:

> "The controls proposed in the interim report of the Royal Commission on Book Publishing to secure the public interest in the money to be lent to McClelland & Stewart . . ."

That is the purpose under those conditions. I repeat, do you agree? We are, after all, nothing but a Royal Commission and can only make recommendations, and it is up to those who execute, if I may use that expression, to determine what people do, if anything, with the recommendations. I would like to think we are not, either of us, in any way helpless. I think that you said here that really, the proposals, controlled proposals, are not acceptable to you if the money was being offered to them, and that is your point. You don't want such controls as we recommend. If any monies were to be recommended by us to be given or passed to you -- to you -- the terms are unacceptable, is that fair?

MR. IRWIN JR.: If I might comment on that, Mr. Chairman, I think any business that is solvent and in control of its own affairs should not be susceptible to having 51 per cent of its common stock in the hands of any other party. Alternatively it would not want to be in the position of having to go to the Board of Directors.

THE CHAIRMAN: But you realize there is a difference which can be set between a firm such as yours which is in good condition and another firm such as McClelland, that is what you said, is that right? You read our report pretty carefully?

MR. IRWIN JR.: Yes.

THE CHAIRMAN: You made no reference in that report to your firm or any other firm, is that right?

MR. IRWIN JR.: Yes.

THE CHAIRMAN: I take it from your brief that you approve of the principle of advancing money to Canadian book publishing firms in some form or another to assist them in the capital concern that they have. I imagine that is accepted, is that right?

MR. IRWIN JR.: In the circumstances of the industry, yes.

THE CHAIRMAN: Do I take it that in the event this Commission was to make recommendations to the Provincial Government that there should be a broad plan whereby capital is

made available by way of long-term loans, debentures or otherwise, that your firm might be interested as a Canadian-controlled book publishing firm in making an application for such moneys to be made available to it at this time? The answer is yes?

MR. IRWIN JR.:Yes.

THE CHAIRMAN: Do you think that that willingness to make application should be shared by other Canadian-controlled book publishing firms at this time?

MR. IRWIN JR.: Yes.

THE CHAIRMAN: Do I take it that you consider that really in the proposal that we made in regard to McClelland & Stewart that there are only two objectionable parts to it, the first being that there was a recommendation -- and it was in the alternative -- having to do with the Board of Directors and the nominees placed there by the Ontario Development Corporation, that is one and the other was the objection to the convertibility of the debentures, which is really a loan, secured, is that right?

MR. IRWIN JR.: Yes.

THE CHAIRMAN: Those are the two objections you have?

MR. IRWIN JR.: Yes.

THE CHAIRMAN: Are there any other objections? What we are here for really essentially is not to do any more for the industry than to try

to help it and assist in the long run. If there are any other objections in the formula which we propose you might indicate what you think they are, other than those two things.

MR. IRWIN SR.: Mr. Chairman, we have summarized and I think accurately, and the second consideration really means that the government is, in essence, the owner and controller.

THE CHAIRMAN: That is your conclusion, sir, but your interpretation is that if the government or any person has an option in association with debentures, they are effectively in control, is that your opinion?

MR. IRWIN SR.: Well, not effectively control unless they exercise it.

THE CHAIRMAN: Yes, of course. Those are your two substantial objections to that point, I take it?

MR. IRWIN JR.: Yes.

THE CHAIRMAN: I am interested very much in two statements you have made -- and let us move away from that interesting subject to something which also interests me -- you have made reference in your material to the experience you have had with regard to an acceptability of Canadian titles in the United States, on page 11 you make reference to the situation where, when "Canada" is seen then they put the book down and so forth, it is not an acceptable kind of name to have.

I wondered if you think that this kind of reaction on the part of United States educators relates to any kind of a sense of nationalism which you detect in existence in that country?

MR. IRWIN SR.: Mr. Chairman, I would say that the general answer to that question is yes.

THE CHAIRMAN: Not because the material is inferior but it is the Americans are nationalists?

MR. IRWIN JR.: If I could make the point in respect to this event that has just happened we have now sold 500 copies in the United States without the Canada designation.

THE CHAIRMAN: I wonder on page 12 in this context in the last paragraph, that the author of this particular brief almost used the word "nationalism" and chose to use the word "provincialism" and the statement is this:

" It is our experience that many Canadian elementary and high school text-books will sell well in the U.S. if intelligently promoted, and their Canadian origin camouflaged to overcome the provincialism of U.S. educators."

I wonder if you really meant "nationalism"?

MR. IRWIN SR.: I think "provincialism" is a fair word in this particular

case indicating that nothing but only good can come out of Nazareth and I think nationalism is too big a word to explain or typify the type of feeling that a teacher has who comes by and automatically excludes a Canadian book. You could use the word "nationalism", I think.

THE CHAIRMAN: Someone said to me the other day, or said it in my presence, that in looking at the issues which are abroad in Canada which have really been here since before Confederation in relation to the United States that really the concern of Canada has been over all these decades that Canada exists in the presence of one of the great nationalistic countries in the world and the result of that over-pervading nationalism is causing now some sort of survival reaction by way of nationalism in this country. Is that a sort of a valid approach to the kind of situation we in this country find ourselves in?

MR. IRWIN SR.: Well, the implication that our present self-interest as a nation has derived from this other I don't know that I would conclude this although I can see the reasoning of individuals who are coming to this conclusion the fact that U.S. has had everything its own way, including a great many of our resources and that likely is prompting this feeling.

Mr. Chairman, there is another point about this matter we are dealing with now of

selling Canadian books unchanged on the Canadian market. In the el-hi field -- I think the college field is different but two firms in this country have made a definite effort to sell their books in the States.

One firm sent their own man for, I think, several years and he campaigned vigorously but finally he was withdrawn and they gave up the chase, so to speak. So what we are saying, I think, can be corroborated by this firm.

THE CHAIRMAN: I want to ask you a sort of general question. Do you consider, either of you or both of you, that there is need in Canada for a body of some kind? You have heard this question raised -- a body of some kind to have an over-view on a continuing basis of the publishing industry? That is the opening part of the question. Do you consider that there is a need for this kind of body or agency to have an over-view in an administrative or regulatory or any other way?

MR. IRWIN SR.: If you would say benevolent I would likely go along but I don't know what other definitions such a body could have.

THE CHAIRMAN: Do you mean benevolent from the viewpoint of having carrots but no whips?

MR. IRWIN SR.: I think the whips would have to be self-inspired.

THE CHAIRMAN: Or hidden in the closet.

MR. CAMP: A question on this forgivable loan business and the possibility, of course, of conflict of interest or government intervention: You make a point I take it that government should provide loans which are forgivable for the publication of texts and you go on to say: "That if well produced Canadian books are not published the money will be returnable". Now, in the event that the books are published as the result of a government loan, is there not just as much of a possibility that the government would be influenced -- because it is not the publication that counts, the government would be just as influenced in the matter of this kind as you suspect or fear it might be influenced in the matter of any other kind of government intervention in the publishing business?

MR. IRWIN JR.: Might I suggest that it would be very much less because if the books were not published the money would be expected back.

MR. CAMP: That is right, but the government would have to be assured that its loan was effective and the surest way for the government to demonstrate how effective the loan is would be to have by someone's judgment a well produced Canadian educational book published and sold. I don't think that you can -- I have difficulty making neat distinctions between when there is a government presence, when the weight of

possibility is a conflict of interest. It seems to me I have to make a decision as to whether there should be any at all because if there is there has to be the risk of conflict of interest. If there isn't, then there isn't. The surest way not to have any is to keep the government out of it altogether and let the industry decide.

MR. IRWIN JR.: The beginning of our recommendations says as much.

MR. CAMP: I follow your argument in which you go on to say that such a company as yours -- and I accept that -- would not be qualified for such a policy of government assistance.

MR. IRWIN JR.: I wish that there were some other way of equalizing the market situation.

MR. CAMP: Mr. Irwin, I agree with you. The only point I wanted to make and not to be argumentative, was that I don't see any ideal way that you can have cake and eat it too. If the government is going to be obliged to give financial assistance to the publishing industry then we are all going to have to be obliged to run the risk of conflict of interest.

MR. IRWIN JR.: We have made several suggestions along that line here.

MR. CAMP: There are probably some situations that are more risky than others.

MR. IRWIN SR.: Mr. Chairman, if we get a loan in business we know very well a

printer who had a loan of hundreds of thousands of dollars on the understanding that he provide a certain number of jobs. We are suggesting that there is a very decided parallel here. I think also it must be concluded whether or not the need for a viable Canadian industry and the production of Canadian materials which at present are being slowed down because of lack of money, I think there must be a decision as to the value of having such or having to depend entirely on assistance from the United States.

MR. CAMP: There is only this distinction to be made in analogy where a government would make a loan on condition that the lendor, or the borrower, provide a certain number of jobs. So the question, if you are given -- providing a loan to an industry where you are the prime buyer.

THE CHAIRMAN: We say to both of you, we appreciate your time and the contents of your brief. It was well prepared and you did respond to suggestions. We will find this extremely useful. Your firm has made an enormous contribution to the culture of the country and we encourage you to maintain it.

MR. IRWIN, SR.: Thank you.

THE CHAIRMAN: The door to you is always open.

SUBMISSION OF DOUBLEDAY CANADA LIMITED

THE CHAIRMAN: We have with us now representatives of Doubleday Canada Limited, Mr. William Havercroft, President; Mr. David J. Nelson, Vice-President and Director of Trade Division; Mr. Douglas Gibson, Editor; and Peter Maik, Vice-President, Administration Services.

We welcome you to our hearings and if you will discuss the high points of your brief, then we will have a discussion with you.

MR. HAVERCROFT: Thank you, Mr. Chairman, and we certainly welcome the invitation to be here and are happy to participate in this discussion.

The gentlemen with me have been introduced. I would like to say that our brief is basically a report, for information purposes, of our various activities in Canada. We trust you will find it interesting and informative and of some help to the Commission in your current task of reporting on the condition of our industry.

We assumed, rightly or wrongly, that your chief interest was the welfare of the Canadian book and so we have given priority in our report to our activities in this area. While our Canadian publishing program accounts for rather a small percentage of our sales volume- and even a smaller percentage of our profit, it has had for several years a significant part of our attention in planning.

We started a very casual program of Canadian publishing over fifteen years ago and have now, for the past five to six years, had a very serious involvement with Canadian books. We have maintained a full-time

editorial department with an aggressive, well-planned and budgeted program of publishing.

This has been done for three reasons:

(1) We accept that as publishers in Canada, we must take an active role in publishing Canadian authors.

(2) The Canadian management group find this one of the most challenging and interesting aspects of our responsibilities.

(3) In ourbest judgment, we are laying the groundwork for what we believe could become a very significant and profitable part of our business in Canada.

We have not included a list of recommendations to the Commission because we feel that the industry could do much to help itself.

We recognized from experience, the difficulty of publishing Canadian authors but, on the other hand, have seen the Canadian market absorb an ever-increasing number of books published here and expect that the continuance of this trend will make the break-even and profit level more frequently attainable. If the Commission recommends the use of public funds to subsidize or help in any way the publishing of Canadian books, we believe these funds should be available equally to Canadian-owned or foreign-owned

companies who have already shown active interest and are willing to share the risk of this type of publishing.

In summary, we have attempted to demonstrate that a well-managed subsidiary of a foreign publishing company makes a real contribution to Canada and accepts the challenge of seeking out and publishing Canadian authors.

Thank you.

THE CHAIRMAN: You say you believe that money, if it is made available, public money, that is a very interesting statement. If it is, it should be made available equally to foreign-controlled subsidiaries. I have a simple question of just one word: Why?

MR. HAVERCROFT: We believe that as taxpaying profit-oriented people we have made a very considerable investment in Canadian publishing and we should have an opportunity that is not at a disadvantage against others in the same marketplace.

THE CHAIRMAN: We understand that. We have not come to any conclusions, of course, but the foreign-controlled corporations which are in business in Canada, and yours is obviously one as you say it is, that they do have an enormous advantage competitively in many respects. They have the things that you have: they have titles from the United States

which are in great abundance. They have access, when required, to capital which can be made available to them, which is not otherwise to Canadian-owned companies. On the basis of this kind of a statement, I would wonder, for example, if in your own instance -- let us not talk about the industry at large -- from everything you said, is your company in difficulties financially, or in need of capital, or credit in order to expand or continue its Canadian book manufacturing or publishing?

MR. HAVERCROFT: Our company is not basically in trouble financially.

THE CHAIRMAN: How you mean that "basically"?

MR. HAVERCROFT: I mean we are not in trouble financially, but we have no magic wand to rule over profitability or success of Canadian books, more than anyone else would have. In other Canadian-owned companies, they also have found they have to bring out a broader range of books to distribute, such as we have.

THE CHAIRMAN: You are a skilled and experienced member of the publishing industry and do you agree with the general proposition that the Canadian-owned book publishers have difficulty in capital at this time?

MR. HAVERCROFT: Yes. I have been rather close, in the last couple of years, to a situation which some of you know of, which

came up pretty strongly at that point when capital was quite difficult for some reasons. The sole payment of accounts from government sources. Yes, there has been a problem regarding financial assistance.

THE CHAIRMAN: Do you think there might be a reasonable priority for this Commission to look for the needs of that sector of the industry, which most needs attention and assistance at this time, that the priority be not perhaps as high with firms such as yours which have the benefit, clearly, of external assistance? Do you think our priorities, if we do select those priorities, might well be reasonable ones in the view of the circumstances?

MR. HAVERCROFT: I would not argue with what you are saying, but you give yourself quite a problem in deciding who it would be and on what basis some of the Canadian-owned companies have a wide mix of activities, such as we would have.

THE CHAIRMAN: You don't quarrel with the priority?

MR. HAVERCROFT: No, not in relation to some industries.

THE CHAIRMAN: We could not quarrel with a priority that is difficult and we would have to select, see how many other problems are extant.

On page 11 of your brief, you say, under the heading of "THE PUBLISHING DECISION":

"If a Canadian manuscript comes into our office we test it against these criteria.", which is sent out just in advance, I take it. Would it sell enough in Canada alone to make it worth publishing, that is your standard?

MR. HAVERCROFT: No, not exactly. We would look at a book and, using the two criteria we have listed, might in fact decide with no further reference, we might publish or might not publish. In other cases a book is brought to our attention we would well wish to publish before we made a decision we would actually go to our parent and attempt to interest them in doing something for this book in another market.

THE CHAIRMAN: If they say they are not interested, that would be a decision not to publish?

MR. HAVERCROFT: If we had made the first decision that we could not handle it in Canada and could not get assistance that would confirm our original nay position on the book.

THE CHAIRMAN: Your statement, then, on page 11 that says:

"Our only restrictions are

the economic ones of the book market in Canada.",

ought really to be amended, should it not, to include the book maker in Canada and, from time to time, in the United States as well? Would you agree with that?

MR. HAVERCROFT: It does make a contribution, in many cases, it makes a book possible, yes.

THE CHAIRMAN: Yes.

MR. HAVERCROFT: Douglas Gibson might be able to give an opinion on that.

MR. GIBSON: I think perhaps basically we are talking about two different subjects. I state that if a Canadian manuscript comes into our office we test it against the criteria of will it sell enough, will it be artistically suitable for us to publish, will we be proud to publish it and so on? Then I say, perhaps I should have underlined these words:

". . . will it sell well enough in the Canadian market alone to make it worth publishing . . ."?

If this is the case, then, we go ahead and publish regardless of whether the parent company is interested or not.

Then the brief goes on and later says that every Canadian publisher is familiar with the case of the good manuscript

that deserves to be published but simply will not sell enough in Canada alone. In that case, it is normal practice, I believe, for every publisher to try to interest a publisher abroad. We are in exactly that position, only the publisher abroad to try to interest is the Doubleday parent company.

THE CHAIRMAN: In effect, in some instances the American parent has a very definite kind of authority as to what to publish if it is a Canadian manuscript?

MR. GIBSON: Yes, in exactly the same was as the Canadian company who found an American publisher who was willing to participate in the border-line book, would also have their decision determined for them by the publishers abroad.

THE CHAIRMAN: I can't just put my hand on -- in your brief you say you have several hundred manuscripts presented to you here in Canada. Is that right, every year?

MR. GIBSON: Yes.

THE CHAIRMAN: Are many of those novels?

MR. GIBSON: Yes.

THE CHAIRMAN: About how many novels would you people have presented to you in the last year?

MR. GIBSON: It is very hard to estimate. Perhaps -- you understand, Mr.

Chairman, this is a very wild estimate -- two or three hundred.

THE CHAIRMAN: Two or three hundred?

MR. NELSON: I would think possibly 80 per cent would be poetry.

THE CHAIRMAN: On a ballpark figure basis, how many have you decided to publish of the two or three hundred?

MR. NELSON: In the last year?

THE CHAIRMAN: Yes.

MR. NELSON: I would think no more than two.

THE CHAIRMAN: You published two, I take it?

MR. NELSON: It is not to be taken as any form of criticism.

THE CHAIRMAN: No, no, we are asking questions. We are not ready to criticize.

MR. GIBSON: I would simply state, Mr. Chairman, that our decision to publish two out of the several hundred manuscripts is a reflection on the state of the manuscripts.

THE CHAIRMAN: Of course, that is one sort of reasonable answer I would expect you to make. In any event ---

MR. HAVERCROFT: That is not the number of books we published in this particular year. It depends on what the trends were, of course. A great many come in and are screened.

THE CHAIRMAN: Do you consider as publishers who have a foreign parent and are responsible to them that as publishers, not just agents in Canada, that you have any obligation as publishers to make a contribution to Canadian culture or society by publishing Canadian-authored and manufactured works? Do you consider that as an olbigation or not?

MR. HAVERCROFT: Yes, I think we have stated in our brief that we do, in fact, accept that responsibility. As publishers operating in Canada, yes, we accept responsibility as we assume we are acting as agents.

THE CHAIRMAN: And is it the kind of obligation which you would recognize as one which could be associated with a right to publish or do you think that an obligation to publish along these lines in the Canadian context is something that should be left totally to the discretion of the particular publisher?

MR. HAVERCROFT: Please ask that one again?

THE CHAIRMAN: All right, I will ask it again. Do you consider that with the right to publish which you exercise that there is or should be, some obligation on your part or the part of any other publisher to publish Canadian works such as novels and poetry and things of this kind or do you think that there should be no obligation and it should be left purely to the

discretion of the publisher as to what he does in the Canadian scene?

MR. HAVERCROFT: We would accept the responsibility to make a contribution in this area. The choice of the work, of course, should be ours but we are engaged in a publishing program here as part of our general over-all activity.

THE CHAIRMAN: I just have one or two other questions and really they are observations on the brief. I don't know who the author is page by page, but on page 16 at the bottom you say:

" What is more, the international activities of these publishers lends their textbooks as international flavour which has certain obvious advantages in a world rapidly becoming a 'global village'."

Is there any concern on your part that a global village may have a village chief whose presence has a rather commanding impact or is this internationality something which is not of any concern to you?

MR. GIBSON: I think, Mr. Chairman, that that question is answered in the following sentence:

" (b) There is no doubt, however, that with this international flavour it is possible for these books in their originaly edition to retain social and cultural nuances and inflections that

" would be considered undesirable by many Canadians."

I think there is a recognition of the same concern which you have expressed.

THE CHAIRMAN: Is this what you are talking about when you say:

" It may even happen that these books unwittingly downplay Canadian contributions to the subjects under discussion."

MR. GIBSON: Yes.

THE CHAIRMAN: I would challenge how any book could unwittingly downplay Canadian contributions. I would think that is one that would be wittingly so. Would you like to comment on that?

MR. GIBSON: I think, Mr. Chairman, it is a case of forgetfulness rather than manevolent ignoring of Canadian contribution.

THE CHAIRMAN: Could it not be another way? Could it not be that the people of the nation which harbours your parent company really feel strongly about their own country, they think it is the best place in the world and they have felt this way for a long, long time and when it comes down to telling a story sometimes they tend to favour their position? Is this about what you are saying?

MR. GIBSON: I think that would be a fair interpretation, Mr. Chairman.

MR. CAMP: Going back to page 11, will it sell enough to make it worth publishing, and

so on, I have not got an exhaustive list of your titles, Canadian titles, but do you publish any Canadian poetry or have you published any Canadian poetry?

MR. NELSON: No, we have not published any Canadian poetry.

MR. CAMP: It is kind of a loss-leader?

MR. GIBSON: No, nothing has come to us yet that we feel we would like to publish.

MR. CAMP: Certainly it is at the bottom of the profitability scale.

MR. NELSON: I don't think enough poetry really is in that light, sir, if I may say so.

MR. CAMP: We have had some testimony this morning that it was.

MR. NELSON: Right, but I don't think it can be determined that way and yet we have at the other end of the scale a publisher like R.S. Prowse, for example, who makes literally a year out of the three or four major poets he publishes, so it is not saying that poetry can be an extreme problem: I don't think you can feel that many people consistently use poetry. That just is not so.

MR. CAMP: If I didn't make it plain, I was thinking of the Canadian context, Canadian poetry.

On page 13 you talk about subsidiary

rights in a very attractive paragraph where you say:

" In New York Doubleday maintains a large Subsidiary Rights division which devotes its time to vigorously selling ..."

Is that a split infinitive?

MR. GIBSON: It is a deliberately split infinitive.

MR. CAMP: Not unwittingly?

MR. GIBSON: It is not unwittingly.

MR. CAMP: I was going to ask you, for the record, all this activity with regard to book club rights, paperback and so on, that you enumerate below is of your Canadian titles, for example, which would be handled by this organization in New York, is that right?

MR. HAVERCROFT: Outside of the Canadian activity, magazine rights, et cetera. This is on an international basis. They do have offices in London, Paris and so forth.

MR. CAMP: With some success?

MR. HAVERCROFT: We think so, yes. We think the unusual one this way was selling the book through a German publisher.

MR. CAMP: Would you give us the benefit of your experience with regard to translating works into French? I wanted to be sure whether you are talking again about Canadian titles or are you talking about American titles?

MR. HAVERCROFT: We have done very little of this but we have done a couple of titles and these are Canadian titles. We are actually active to some degree in the Province of Quebec and mostly we import French books from France..

MR. CAMP: These trade titles?

MR. NELSON: We have some trade titles we are about to publish, from a French Canadian author.

MR. CAMP: Into English?

MR. NELSON: Into English. This will be published late in the summer of this year.

MR. HAVERCROFT: One of the books we talked about in that area was a book published with another Canadian house. We translated it together.

MR. CAMP: You make some observations about what is becoming a cliche which is the business of buying around and in which I take it your upoint is that you would be satisfied if libraries and schools imported fewer books from the United States and bought more from Canadian distributors?

MR. HAVERCROFT: Yes, we do.

MR. CAMP: Would you like to enlarge upon that? Let me say: What is that to you?

MR. HAVERCROFT: You might well ask that question, what is that to us, because whether it is a U.S. book that is brought in through us as a Canadian agent or whether it is through a

Canadian jobber, very briefly it means very much to us. We are here measured by our own successes and we invest a lot of money in machinery, displays, salesmen and all these things to introduce books across Canada. If we spend time and then not having a sale directly to us or through a wholesaler it worsens our picture to a marked degree. We feel seriously and in the modern corporate sense if we are not here able to finance ourselves successfuly there will not be as many Doubleday books distributed in this country if left to the activities of the wholesalers. We want the opportunity to present our books to the schools and libraries. David can speak to this.

MR. NELSON: I think that is it, Mr. Chairman.

MR. CAMP: I am sorry, I didn't hear that.

MR. NELSON: I would agree with what Mr. Havercroft has just said.

MR. CAMP: You suggest we devote some time to studying this, I think. You have no recommendation of your own to make in this regard?

MR. HAVERCROFT: No, we were much involved in the co-operative book centres over the last number of years as Dr. Jeanneret knows. Personally we had an opportunity there to observe much of the Canadian book publishing scene

from sitting on the seat there and we would heartily endorse that type of co-operation and wish them very well and will do what we can to help get them into a proper position.

MR. CAMP: You are talking of the trade publication industry?

MR. HAVERCROFT: Yes, we are.

MR. CAMP: So most of the manuscripts submitted to you by Canadians here would be trade manuscripts, of course?

MR. HAVERCROFT: Yes.

MR. CAMP: I was interested in the fact that you read them all or have them all read and you attempt to make some analysis for the benefit of the writer even if it is accompanied by a rejection. How many readers do you employ?

MR. GIBSON: We have only two readers, Mr. Camp. I should make clear that I believe the brief states that on occasion we try to guide the writer, even when we reject the manuscript. It is by no means an automatic complement to the manuscript.

MR. CAMP: I don't expect you to have this instantly leap to mind, but the development of Canadian titles in your organization in the last five years, I think you said that there had been a significant increase. How many Canadian titles, for example, are you planning this year?

MR. HAVERCROFT: We are planning somewhere between 15 or 20. Sometimes our plans

don't materialize because of late manuscripts and so on, but this is the budgeted target that we have set ourselves for this stage having built up from a very low figure five or six years ago. We did not maintain any Canadian editorial program people years ago, we did it with our left hand prior to that but we have budgeted since that time and have gradually built up a program.

MR. CAMP: So, your presence here originally was as an agency?

MR. HAVERCROFT: That is so.

MR. CAMP: And you are now going into the publishing?

MR. HAVERCROFT: 15 or 16 years ago we published our first book with outside assistance and for the last five or six years we are completely on our own.

MR. CAMP: I guess there is no argument and I will just make the point in passing that there is an incentive for Canadian authors to publish with American subsidiaries here at least to the extent that they could hope to enjoy your circulation if they work outside of Canada?

And is this an invariable benefit to the author? I think you make the point here that almost anything that is written in Canada, you can sell to some degree in the United States?

MR. HAVERCROFT: I will ask Mr. David Nelson. There are one or two exceptions, which completely have no acceptance.

MR. NELSON: That is right. We have published about 125 books and with one exception, all of these have been exposed to the United States market. It is almost an incredible sales record that the one department of our company has achieved as being the school and library department in the United States. They can triple a sale and we can work very hard again in Canada and this, of course, means that the book, or the author, has immediately a following in the libraries where the books are placed and it makes the next book that he publishes much more attractive as a proposition than as having to look at a very small Canadian sale. The two figures combined are very important.

MR. GIBSON: I wonder if I might elaborate on that? A recent book called "Children, Wives and Other Wildlife" by Robert Thomas Allen, has been recently awarded the Stephen Leacock award.

MR. CAMP: You might like to move

that microphone a little closer to you.

MR. GIBSON: Thank you. Mr. Allen, the author, is well known in Canada for his contributions through Macleans Magazine and so on. With respect to his skills, I think he is almost unknown in the United States. Nonetheless, his sales in the United States far outstrip his sales in Canada.

MR. CAMP: The sales in the United States are greater?

MR. GIBSON: Yes, they are.

MR. CAMP: And the royalties are the same?

MR. NELSON: Right, because of the dual contracts.

MR. CAMP: Is this a house policy?

MR. HAVERCROFT: Yes, this is a house policy.

MR. CAMP: Could I ask you, following what you said, I take it for granted you are free to publish as many Canadian titles a year as your own good judgment sets?

MR. HAVERCROFT: And our resources.

MR. CAMP: And your resources. Who makes the decision as to how many U.S. titles you import?

MR. HAVERCROFT: We import every U.S. title on which we hold the Canadian rights. You understand the rights situation? We do

not invariably have Canadian distribution rights on every book our parent publishes in the U.S. We have most of them, but not 100 per cent of them.

MR. CAMP: Who decides what books are going to enjoy Canadian rights? Do you shop around?

MR. NELSON: The original publisher, for example, a book published in Great Britain, he may have an agent already in Canada, like William Collins, for example. In this case he would sell the book to Doubleday and give them United States distribution only, which means we would not have the market.

MR. CAMP: Books published in the United States by Doubleday?

MR. NELSON: We have the importation on all those titles.

MR. HAVERCROFT: With no exception we stock some quantity of every book.

MR. CAMP: You are in the book club business as well. It is of some encouragement that that aspect of the industry is now beginning to purchase Canadian books. How many this year, or last year? I think that is a better question.

MR. HAVERCROFT: I frankly don't know the number. In 1967 we purchased three, I guess, at the first of the year. Not a great number, Mr. Camp, but some, and there

again ---

MR. CAMP: Are these your own titles, or are they at large throughout the country?

MR. HAVERCROFT: We have some of our own but some are from other publishers.

MR. CAMP: I think that is all I have.

DR. JEANNERET: The other questions of mine are not intended to either undermine or enforce your submissions, but just to place the facts in perspective, in this particular category of publisher, I take it of your important books you are able to bring a very substantial number in duty free on the grounds that they are listed in certain of the university college schools, or something of this nature?

MR. HAVERCROFT: Or by the nature of the book itself, of course.

DR. JEANNERET: By the nature of the book itself. So the $200,000 I think it was that you paid in duties, that would apply to books in the English language from the United States?

MR. HAVERCROFT: Not from the U.K. or France.

DR. JEANNERET: That would represent $2 million net invoice value of those books that bore duty. Against

this $2 million, multiplied by some factor, you had $500,000 worth of printing last year in Canada. Would that be including all your advertising, promotional literature and so on?

MR. HAVERCROFT: We do in-house printing, which is basically catalogue and so on, in the house, but again, we turn some out, so what we have turned out plus the books we have.

DR. JEANNERET: The $500,000 includes the catalogues?

MR. HAVERCROFT: What I am telling you is we have an in-house operation to do some of our work of catalogues and promotion and our mail order, and what we turn out, the figure you see in the brief, is a mix of some of our catalogues, some of our promotion and our books, but not all.

DR. JEANNERET: Your book printing and catalogue would be significantly below?

MR. HAVERCROFT: Below that figure, yes.

DR. JEANNERET: Mr. Camp previously asked this question although he referred to readers. Your editorial department comprises approximately how many people in all?

MR. HAVERCROFT: At the present time, two, we have had three but there are two now.

DR. JEANNERET: Of 244 employees

there are two involved?

MR. HAVERCROFT: Yes, Mr. Gibson and his assistant.

DR. JEANNERET: On page 18 you refer to "be published in Canada" and you use the word "published" here, you mean published by importation? I am sure that is what you mean.

MR. HAVERCROFT: Where is that?

DR. JEANNERET: On page 18. I really just want to confirm you use the word "published" ---

MR. HAVERCROFT: Where we make available for the public in that sense.

DR. JEANNERET: "For geographical reasons more books from the U.S.A. cross the border to be published in Canada than make the long trip across the Atlantic to Britain."

You answered this question in regard to French imports, about the extent to which you depend on principals other than Doubleday. You sell books of other publishers than your parent firm?

MR. HAVERCROFT: In New York, you mean?

DR. JEANNERET: You are acting as agent for other than Doubleday books?

MR. NELSON: We act as agent

for ten other houses.

DR. JEANNERET: Including French?

MR. HAVERCROFT: We are representatives for two or three Canadian houses and American houses. We are not a trade representative for a French house. Our French activity, apart from what we translate of Canadian trade books, is exclusively mail order book club business.

DR. JEANNERET: I wonder if you would be good enough to supply us later, in confidence, with the total sales figure, that is Canadian and U.S., for a list of Canadian books you set forth at the top of page 10?

MR. HAVERCROFT: By unit?

DR. JEANNERET: Units?

MR. HAVERCROFT: The mix of the Canadian-U.S. distribution.

DR. JEANNERET: You refer to U.S. and Canadian sales of these books.

MR. HAVERCROFT: We would be happy to do that.

MR. CAMP: Could I just come back to that once more, because a question slipped my mind that I wanted to ask. It does not seem obvious to me why a Canadian -- what is that useful expression -- why McClelland and Stewart, for example, indigenous Canadian publishing house, why they can't do, let us say, through an agent in the United States, such as

Doubleday, the same thing that you do in order to take advantage of this ever-available market? In other words, is there some reason that a Canadian publisher is indifferent, where they do not have a parent or a subsidiary in the United States ---

DR. JEANNERET: Speak from the heart.

MR. CAMP: Could they not possibly do the same thing?

MR. NELSON: I don't understand this, Mr. Camp, because we have had in the past two years an author come to us quite by accident who is quite an important juvenile author in Canada who had not been distributed in the United States.

MR. CAMP: I have trouble hearing you.

MR. NELSON: We had by accident a Canadian juvenile author come to us who is now writing for us under contract, but he had not had a book distributed in the United States, which seemed to me a shame. We submitted his most recent book to Doubleday and they immediately took it. Why his publisher had not attempted to seek American distribution, I don't know, but immediately this man signed a contract for his book and now he becomes a member of the Doubleday juvenile family and I am sure he will write

many books for us. It may be a reluctance on their part to send a man to New York to knock on doors, but I don't know.

DR. JEANNERET: Could I ask, when you sign an author up here and publish him in the United States, or perhaps vice versa, talking about Canadians, which side gets the export royalties, or is it even? How does it work?

MR. HAVERCROFT: Export royalties?

DR. JEANNERET: Yes.

MR. HAVERCROFT: We normally write it into the contract.

MR. NELSON: In most cases.

DR. JEANNERET: My next question, then, I suggest is suggestive of something Mr. Gibson said. You talked about "over the transom publishing". That is a very illustrative way to describe that. I would contrast that with creative publishing. To what extent are you involved in creative publishing, going digging up an author and -- if Mr. Gibson could talk about ---

MR. HAVERCROFT: First of all, this is how we got started on the Canadian publishing scene back in 1952 with the concept of our Canadian History series, which is probably the most popular thing we have done. We had the concept and found the authors to write it and worked with them. It took us 15 years before

we got the six volumes finished, but this is actually how we got started in it and we are most strongly in that.

Doug, you might explain that.

MR. GIBSON: Yes, Dr. Jeanneret. In fact, I suspect incumbent with most publishers the vast majority of the books which we do publish are ones which we have actively sought where we have gone out and found the author either suggested that he might have a book in mind or he might like to do the following book.

Most of our books are done this way.

THE CHAIRMAN: Just in closing, may I ask one or two questions about your corporate structure, nothing that I am sure you won't be prepared to disclose. You have got a Board of Directors for your Canadian company?

MR. HAVERCROFT: Yes.

THE CHAIRMAN: How many members on the Board?

MR. HAVERCROFT: There have been only four for a good number of years. There is a change going on now.

THE CHAIRMAN: There is a change going on now?

MR. HAVERCROFT: Yes.

THE CHAIRMAN: Of the four, how many are Canadian and how many American?

MR. HAVERCROFT: It has been two and two through the years. We are having a re-organization and we think next year there may be a change.

THE CHAIRMAN: There will be a change?

MR. HAVERCROFT: Yes, originally for most of the years we have been here it has been split.

THE CHAIRMAN: Are any of the Canadian representatives on the Board or any of the Canadian officers shareholders in a beneficial sense of the company?

MR. HAVERCROFT: No, not in the beneficial sense.

THE CHAIRMAN: Do you know whether there has been any consideration on the part of your parent company of offering to the Canadian public any shares in the Canadian subsidiary?

MR. HAVERCROFT: To my knowledge there has not been. Doubleday as you may perhaps know, are an American private company.

THE CHAIRMAN: Private companies can do all sorts of things. I am just asking whether there had been any consideration of this question of offering shares to the Canadian public of your subsidiary. To your knowledge there has been no consideration of this?

MR. HAVERCROFT: No.

THE CHAIRMAN: And the decision to do so, I take it, will be made in New York and not here?

MR. HAVERCROFT: Yes. We might be able to influence that, Mr. Chairman.

THE CHAIRMAN: You might be able to, that would be really tough.

MR. CAMP: Do you think you would?

THE CHAIRMAN: Do you think the statement was who could influence that decision?

MR. HAVERCROFT: No, we might be able to influence that decision.

THE CHAIRMAN: Of the titles that your parent company -- you import all of the titles

as you have told us. How many titles did your parent company do in the last year that you are aware of -- a ball park figure.

MR. HAVERCROFT: They are traditionally doing about 800 titles a year.

THE CHAIRMAN: And you take all of those in here?

MR. HAVERCROFT: We take all of those plus any titles of any other companies we represent. We are importers of 1200 new titles per year.

THE CHAIRMAN: The productivity of your current company is about 800 titles a year and the productivity in Canada is about 15 to 20?

MR. HAVERCROFT: That is so.

THE CHAIRMAN: Gentlemen, we have enjoyed having you with us. You were very forthright with your answers and responses and the discussion was most interesting to us indeed. We are very much obliged to the contribution you have made to the Canadian publishing industry.

MR. HAVERCROFT: Thank you very much, Mr. Chairman.

---Recess.

THE CHAIRMAN: We have with us now representatives of The Canadian National Institute for the Blind, Mr. F.G. Brown, the Chief Librarian and Mrs. J.B. Moody, Consultant on Large Print. We welcome you here and if you could touch on the points

of the brief which you would like to stress we would be pleased and then we can talk with you about your submission.

SUBMISSION OF THE CANADIAN NATIONAL INSTITUTE FOR THE BLIND

MR. BROWN: Thank you, Mr. Chairman and Members of the Commission, ladies and gentlemen. This brief traces the development of publishing for the blind and indicates unmet reading needs for blind people. I would be very pleased to discuss the brief with you.

THE CHAIRMAN: Mrs. Moody, have you anything that you wish to speak on before we ask some questions?

MRS. MOODY: No, not really. I feel very grateful indeed to the Canadian publishers who have been so generous in giving the CNIB copyright clearance to put their books into large type and the only problem we have there is the multiple copyright books like readers. Some publishers feel that because they have got clearance from other publishers for this anthology that putting out 25 copies in large type is just 25 further copies for which they already have permission and they give us permission.

Other publishers feel that we should contact all the 129 different publishers mentioned in their acknowledgement pages and that is a very time-consuming job. However, if they feel it should be done we would go ahead and do it but I would like

something to be done to help with that problem.

DR. JEANNERET: May I say, I think you are attributing a power to the publisher there that he has not got.

MRS. MOODY: That may be so.

DR. JEANNERET: In other words, the licensee is not in a position to give you anything that he does not possess. I felt the statistics on page 3 are very important and I just note that fact so that we will pick it up from the record. As a matter of interest, about how many pages would be covered by a 12-hour cassette talking book, Mr. Brown, can you give an estimate on that? I realize it depends on the reader and not the size of page and many other factors but I am trying to translate this into a cassette.

MR. BROWN: Well, there are about 20 pages in an hour's reading so that a nine-hour would be 180 pages.

DR. JEANNERET: So that one cassette will cover a modest sized book?

MR. BROWN: Yes.

DR. JEANNERET: You note that since books required for general circulation come primarily from sources abroad, the Canadian content of your holdings tends to be low. You go on to say that books by Canadian authors are at times issued in Braille and in talking book form in Great Britain and the United States. Now, do I understand from these comments and your other

comments that there is little or no initiative to publish Canadian authors in Braille, that is to say, no initiative centred in Canada? I am not at all clear, according to the brief in which the incidence itself becomes a publisher of talking books or the equivalent of talking books having regard for the convenience and simplicity of originating books in this medium and also having regard for the reported co-operation available from the publishers. I realize that your large type books brings you into contact with Canadian publishers.

Are you going to tell me that the Canadian market is simply too small to support original publishing of talking book editions of Canadian authors?

MR. BROWN: Essentially this is so. We have done a few books in Braille and in recorded form but with our talking book program we might need 50 or perhaps even 60 copies of a very popular work and in Braille we only need three or four copies at the most.

Now, a great many books are put into Braille by volunteers for us. These are primarily textbooks used by high school and university students. These volunteers have learned Braille and do this as a voluntary project and they have done quite a number of books by Canadian authors.

Now, volunteers could also do the

talking book but the reading is not quite as good as the book would be, one read by a professional reader and the Canadian books would suffer by comparison so that we tend not to use them for our general recreational reading program. We do use some read by volunteers.

DR. JEANNERET: I think there has been a reference on page 6 to the cost of producing a full length in either Braille or in the form of a talking book. You give it as $1,500 to $2,000. I think you are talking of every style?

MR. BROWN: Yes.

DR. JEANNERET: You say for either type. I just want to understand how these costs are built up or why they are equivalent at all. I mean the cost of doing them originally would work out to a fantastically high hour rate on that basis?

MR. BROWN: This is true. It is read by our professional reader. The rate is very high and if the book, in the case of publishing in Braille, if it is done so that multiple copies can be issued, issued on the Braille press, the cost does go up to this figure, $1,500 to $2,000.

DR. JEANNERET: I was going to say I still am amazed at the cost of making the talking book and I don't know what kind of hour rate you are referring to. What sort of hour rate is it -- $10 an hour or something?

MR. BROWN: I have not consulted actually. Several years ago we received a bequest of $500 and they wished to have a book recorded as a memorial. I went to the appropriate union, I think it is ACTRA with the story and they told me that the book that had been requested was Sunshine Sketches of Old Town and they said it would cost about several hundred dollars but they agreed as a gesture of goodwill that they would waive the union rate if we could interest someone in doing it for the $500 and we were, of course, able to do so.

DR. JEANNERET: I am still unable to understand why you have that much of a hurdle to overcome with the unions and with the authors and copyright owners you get it for free.

MR. BROWN: Yes.

DR. JEANNERET: This is to me incomprehensible but we will have to talk about that again.

MR. CAMP: These are created by volunteers, in other words, they do the service for nothing?

MR. BROWN: Yes.

MR. CAMP: Which would reduce the cost considerably?

MR. BROWN: Yes, there is very little cost.

DR. JEANNERET: Almost no cost, the cost of the cassette?

MR. CAMP: But there would be a difference in the quality.

MR. BROWN: Yes, one of the books I brought with me was read by a volunteer, John A. Macdonald the Old Chieftan.

MR. CAMP: Could I ask you one more question? You say there is only one library serving in Canada, where is that library?

MR. BROWN: Here in Toronto.

MR. CAMP: Where is it in Toronto?

MR. BROWN: It is at the CNIB's property on Bayview north of Eglinton. There are small collections of books elsewhere in Canada but they are not available generally to blind people. They are in schools.

THE CHAIRMAN: Mr. Brown, do you have any assistance or support at the CNIB from the federal or the provincial government in this province in relation to the creation of either a Braille or a talking book? Have you any financial assistance offered in this regard?

MR. BROWN: No.

THE CHAIRMAN: Have you ever made application for this purpose to anybody such as the Canada Council, or any other group for support of this kind?

MR. BROWN: No, we have not done so.

THE CHAIRMAN: What you are in effect saying, as Dr. Jeanneret has indicated, really, is that as far as Canadian-authored books are concerned, you are getting some done in Braille, but really none done in Talking-Book form?

MR. BROWN: This is substantially true, yes.

THE CHAIRMAN: You would like to change that situation, I take it?

MR. BROWN: Yes.

THE CHAIRMAN: That is the substance of your brief?

MR. BROWN: Yes.

MR. CAMP: How many titles do youhave in your library now?

MR. BROWN: I didn't bring that statistic with me. We have perhaps 7000 titles in Braille and we would have 4000 titles in Talking-Book form. We have about 1 title a day in our Talking-Book library and perhaps two or perhaps 50 books in Braille a month.

DR. JEANNERET: I would like to

ask a question because I am much concerned about what we have told us. I didn't realize this. Don't you feel that if there were funds available to pay for the making of the Talking Book in Canada or a number of Talking Book of Canadian works, that the copyright owners, meaning the authors, primarily, but depending on the contracts with their publishers, would have equal entitlement to any remuneration available with those who read them, perhaps more so?

MR. BROWN: Yes, I would ---

DR. JEANNERET: In justice.

MR. BROWN: We take very often only 30 copies or use 30 copies for a book. I don't know what the royalty on those 30 would be, but it would not be a significant amount of money, I wouldn't consider it to be. We could pay the royalty.

DR. JEANNERET: I am not suggesting there should be any obstacle put in the way of circulation, but I can't reconcile this with the $500 or $1300 payment to have them read. You could have them read by volunteers. That is all I have.

THE CHAIRMAN: Thank you, Mrs. Moody and Mr. Brown. We appreciate very much your coming. We have taken a great interest in your presentation.

SUBMISSION OF STROUD, BRIDGEMAN PRESS LIMITED

THE CHAIRMAN: We now have with us representatives of Stroud, Bridgeman Press Limited, Mr. J.H. Vowles is President and Mr. William Stroud is Research Director.

Gentlemen, if you could touch on the high points of your brief and then we will discuss it.

MR. STROUD: Mr. Chairman, I don't hear very well. I wonder if you could speak into the mike.

THE CHAIRMAN: I will speak into the mike.

MR. STROUD: Thank you.

MR. VOWLES: Thank you, Mr. Chairman, and Commissioners. We, of course, are not publishers. We appreciate the opportunity to come and speak to this Commission's concerns.

In our brief we did not say anything specifically about the United States Manufacturing Clause, but we had it in mind and would like to say that we agree with every effort that has been expended to get the U.S. Manufacturing Clause changed in Canada's favour. At the same time, we need to know here in Canada how we are going to make our publishing industry successful, whether this law is changed or not. We firmly believe there is nothing in Canada,

either our water or markets, that rightfully belong to the United States unless we willingly give or sell it to them. Likewise, we firmly believe there is nothing in the United States that rightfully belongs to us, unless they willingly give or sell it to us. They may indeed give us a special position of privilege in their book market. They may not ask anything for it, but once given, they may use the possibility of its withdrawal to gain some privilege from us. We must learn here in Canada how to devèlop a vigorous book industry without relief from the manufacturing clause, or we may find that we have a book industry that exists only on sufferance from our generous neighbour. As long as we look outside Canada for solutions to our problems, we are forcing ourselves into a permanent adolescence, a state of mind in which we make much noise about our independence and autonomy, but always look to our foster father for remittances.

I would like to say a word or two about Canadian research in the book industry. As an industry, the Canadian book industry is simply not fulfilling the conditions for progress necessary for the 70s. I have just had come to hand, Andrew H. Wilson's Science Council background study. He states that:

"Manufacturing and industrial progress generally depend on

being able to protect and obtain proprietory information."

This depends on the improvement of the technical competence of Canadian industry as a whole, the ability of many more Canadian laboratories to generate and supply new scientific and technical information, and the availability of capital and other resources associated with the innovative process.

We in Canada have failed to recognize that, in addition to producing raw materials, in addition to producing manufactured goods, we must also be producers of technology to stay in the international trading game in the latter part of the 20th Century. The Japanese understand this thoroughly and are energetically applying themselves to the production of technology and the proprietory information that goes with it. We in Canada are hypnotized by our huge natural resources and persist in being incredibly dense about the importance of producing technology.

Much as we would like to magnify our own company's achievements, if our efforts at Stroud Bridgeman Press is the major inventive thrust of the book manufacturing industry in Canada, Canada's future as a book manufacturer is not bright. The future of the book publishing industry and manufacturing industry is very technology intensive, very knowledge

intensive, very innovation intensive, and probably very capital intensive. If we in Canada remain content to tag along on the progress achieved by others, we will not deserve or get a significant place in the growth ahead of the book industry in the world market, or even in our own country. At Stroud, Bridgeman Press, we are continuing our program of graphic arts equipment development. In Canada, industry as a whole spends about one half of one percent of the G.N.P. on research and development. In our company, we spend well above the national average on R & D. Our program covers a wide spectrum of projects, some of which cost very little, and pay off very quickly; others costwa lot and pay off over a longer period. Our peopel have made significant, unique and widely recognized contributions to graphic arts technology; we are continuingto do so. To our knowledge, we are the only company in Canada with a consistent commitment and a continuing program of research in graphic arts technology; if there are others, we would like to hear from them.

I have listened to a number of the briefs presented to this Commission; in almost every case the problem of the short-run and the low total number of copies per title has been highlighted repeatedly. This is precisely the area in which we are concentrating

our efforts. We have a number of major elements yet to complete, but even at this stage we can do some remarkable things. Very recently, as a special service, we did a rerun with revisions on a hardcover dated product we publish, 5 by 8 inches, about 700 pages. We ran 100 copies and shipped by air freight to Illinois and Colorado. At $6 retail, we made a small profit. We have made significant progress and are currently tackling the missing pieces in our system of whole book production. In our brief, we say that the manufacturing cost of book production can be reduced only marginally, We believe, however, the manufacturing cost element in the short-run book can be reduced substantially. We are currently doing the research and development to achieve this objective.

Our program is now paced to the needs, resources and profitability of our own company. We believe that our program should be paced to the needs, resources and profitability of the Canadian publishing industry. We are willing to work with industry and governments to make whatever changes are necessary in our program to radically accelerate the pace of our development program.

We would like to point out that this would be a step in the direction of

a permanent solution to the problem of the short-run book without jeopardizing the autonomy of any publisher; every publisher could continue to be the beneficiary of his own judgment. In fact, we submit, such a reduction in the cost of the short=run book as we claim to be possible would increase the autonomy of the publisher by reducing his capital needs for book launching and for inventory, would contribute to the economic possibility of truly Canadian educational materials, would move the margin in favour of the marginal book and would give us in Canada book manufacturing technology which could increase our exports and earn foreign dollars.

Gentlemen, that concludes our introductory remarks and I would like to invite any questions you want to throw at us. If we can answer them here, we will and if we can't answer them here, we will provide information afterwards.

MR. CAMP: Just so that I -- I am making an effort to summarize what you are saying here -- it is technologically feasible to solve the problem, one of the problems of book publishers which is limitations of the market which you call the short-run, I think?

MR. VOWLES: Yes.

MR. CAMP: But then you went

on and said possibly in the long-run there was no economy, significant economy in that direction?

MR. VOWLES: In saying that I was comparing the decrease possible in the cost of book production with the decrease that is ahead of us in the cost of computer processing. I think that in the brief you will see that I said that the cost of computer processing would come down by a factor of 200, but we can't anticipate any decrease in the cost of books of that magnitude, but specific parts of the book production process can have their costs greatly reduced, making it possible to produce the short-run at a per-copy cost comparable to the long-run. Do you follow me?

MR. CAMP: Yes, I follow you. You lost me around the computers, there, but I caught up with you in the end.

MR. VOWLES: Computers process information as well as printing machines. We develop equipment for printing and we recognize a lot of the knowledge is going through computers and not through printing presses today.

DR. JEANNERET: When you quote Carl Hammer to the effect that the cost of computer processing by 1980 will drop to one tenth of one per cent, as compared to what it is now, you might be wise to stress, I think, the fact that you

are speaking about computer processing and not keyboarding. Every book is going to have to have the same number of little finger taps.

MR. VOWLES: Input and output are still going to be major barriers to getting the advantages that are inherent in the computer.

DR. JEANNERET: And this is our Canadian problem, we have to write that production and initial one-time cost off but you are working on the technology that will allow us to make much shorter runs.

MR. VOWLES: That is right.

DR. JEANNERET: That is terribly important. I think it is fascinating that you, a non-publishing organization, drew our attention, I think, for the first time in the hearings to the importance of a very fundamental principle, and that is that the sale of subsidiary rights is a condition precedent to success on the part of an American book publisher operating here. We should not lose sight of that, that they are operating a totally different market possibility for what they are selling. They have this ancillary rights sale and we should keep it before us.

MR. VOWLES: May I make a comment? I have been listening to the previous brief in connection with Doubleday and the question was raised about Canadian publishers entering the American market and the point that was missed was that the American publisher already has a tremendous momentum in the American market on which a Canadian book can ride, whereas a Canadian publisher attempting to enter the American market does not have that

momentum to start with.

DR. JEANNERET: That is very true.

MR. CAMP: But that is not quite the point, though. The point is that you get an American publisher and let the Canadian publisher ride with you as an agent. You get an American publisher to let you ride with them as an agent. There are very few examples of that.

DR. JEANNERET: My experience has been that there are certain areas -- and you are getting close to one of them -- such as single colour offset reproduction of works for which you already have the photocopy and the reprinting of a short-run work, for example.

MR. VOWLES: Yes.

DR. JEANNERET: This has not been available competitively in Canada in the past for the record, and also anything that you will say on this, which will tremendously interest me, I went all over the world, including Japan, Holland, England, Hong Kong, and the United States to get the lowest possible price for reprinting the Canadian Journal of Economics and Political Science -- 35 huge volumes, 35 times four ---

MR.VOWLES: How many copies?

DR. JEANNERET: There would be an edition of 300. The lowest price we secured

was in the United States, and in a particular place in the United States, and if you are working into that sort of field, you would be doing a great service to Canadian publishing.

MR. VOWLES: I think we are not talking, merely about manufacturing, but we are also talking about marketing.

DR. JEANNERET: There is no greater market for what I was describing.

MR. VOWLES: We are talking about the whole approach to the market. Normally a publisher will produce the number of copies that it will take to retire the cost of the book, his initial run. He doesn't feel it is justified to go to press unless he does.

DR. JEANNERET: I am asking you about the reprinting?

MR. VOWLES: It is a total answer, this is part of it, it includes this. So, because of this, he will produce an inventory perhaps larger than he will in reflection two years later see was a good inventory to have.

DR. JEANNERET: This has been known to happen.

MR. VOWLES: Yes. Now, our contention is that a total marketing approach to publishing would include only making the number of copies necessary to start the book and

then going back to press on short intervals for reprints.

DR. JEANNERET: Low make-ready costs.

MR. VOWLES: What we intend to do eventually, is eliminate the cost of the press set-up by ganging the runs behind the press.

DR. JEANNERET: Short down-time.

MR. VOWLES: So that there is no down-time between press runs.

DR. JEANNERET: This gets closer to on-demand publishing.

MR. VOWLES: On-demand publishing is a great word to describe this. The publisher then carries no inventory. The printer holds a very minimal inventory for emergency use and it makes it possible then for the publisher to turn his money over six, twelve times a year instead of having it tied up for a year.

DR. JEANNERET: Well, we are all working towards that Nirvana and, in certain respects I think that there are some great truths coming from elsewhere than your own firm, but I think that what your firm has done has been magnificent, especially your development of the belt press.

MR. VOWLES: The belt press opens up the possibility of all these other things.

DR. JEANNERET: Yes. We will be talking about it in the Commission, I am sure. Would you expand on your third recommendation which is a very imaginative one, and probably runs far beyond the jurisdiction of this Commission, but this is for the establishment of a coast-to-coast broad band, multilane electronic freeway. This takes a little bit of digesting, but it was fascinating and imaginative. In a few words could you say what you really are calling for?

MR. VOWLES: I am really calling for an event of national significance which will stimulate publishing incidentally, and quite considerably. I think that electronics is one of the tools that is in our hands to do it with. There may be other tools, perhaps, but this is one of the tools that is available and the curious thing about electronics is that we have treated it as a production method rather than as a communications method, in many cases. We have used it as a method of getting a product, knowledge and information and so on, to people, whereas it has great potential for making it possible for people to communicate with each other. I refer here to a little experiment we did a little while ago with talking face-to-face on television in separate rooms and the sense of presence that was made possible by full-scale

television, talking face-to-face this way is really very remarkable, so that I can imagine that people connected with each other from Vancouver to Toronto would be under the illusion that they were in the same room.

DR. JEANNERET: This word "freeway" though ---

MR. VOWLES: I think the word "freeway" requires some qualification. When you have a road, a freeway, highway, it is accessible, but you do have to pay for a vehicle, so no doubt the individual user would have some costs to use such a freeway, such an electronic freeway. The important thing is that it would be brought within the reach of the people in the community and that would be just used exclusively for those who could pay the high tariff that would be necessary in order to make it an economic proposition. Do you understand what I mean, that the participant, the person who was using such a so-called freeway might have to pay something but he would not necessarily be paying the whole cost because under present technology the cost of what I am suggesting is astronomical but changes are taking place in the technology which will bring it within economic reach.

THE CHAIRMAN: We can perhaps conclude on this last point again. I was

struck by it and my colleagues have in their own way, covered the points that I felt might be raised. I am one of those who is always intrigued with new approaches and the stimulus 19th Century joining Canada coast to coast by railroad, 20th Century added highways and telephones, public media, nothing would stimulate Canadian book publishing more than a unifying national event such as the establishment of a coast to coast broad band multilane electronic freeway, talk to each other face to face via television from Luclulet and Tefino.

MR. VOWLES: Luclulet and Tofino are on the west coast of Vancouver Island.

THE CHAIRMAN: I am rather disappointed you didn't say Tuktoyaktuk in the North and places such as that, but I might say to you that your multilane electronic freeway is the kind of thing that will be looked at, I think perhaps not in those precise terms, but I think in the very near future with regard to certain, for example, institutions which are being created in the country particularly in the northern regions, one that I was involved in, and we are going to be looking at this very thing, that there can be electronic freeways between the universities and the electronic freeways will undoubtedly involve somebody in Tuktoyaktuk who is taking part in the

university, being able on a screen to see something which emanates from Yellowknife, either the book or the professor at the other end, whom he can shut off as he wishes.

MR. VOWLES: You know, our big handicap in this country has been the challenge of geography and this is perhaps one of the ways in which that challenge can cause a stimulus.

THE CHAIRMAN: If it is to be a national event, we have great faith in technology. A national event is very hard to achieve in Canada. Perhaps something of this kind might be achieved by someone throwing a switch in the future.

We appreciate very much your coming and the innovations which you and Mr. Stroud are bringing into the field are of enormous interest to us. Again, all we can do at this juncture is encourage you and thank you for coming.

MR. VOWLES: We will be glad to give you any further assistance we can.

THE CHAIRMAN: Thank you.

---Adjournment

ONTARIO

ROYAL COMMISSION ON BOOK PUBLISHING

Mr. Richard Romer, Q.C.	Chairman
Dr. Marsh Jeanneret	Commissioner
Mr. Dalton Camp	Commissioner

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252 Bloor Street West, Toronto,
Ontario, May 12th, 1971

This transcript has not been edited, corrected or revised by the Commissioners, but may subsequently be edited, corrected or revised.

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Mr. D.A. Morrison, Director of Education and Secretary-Treasurer; Mr. F.C. Hill, Chairman of the Board and Mr. R.G. Taylor, Superintendent of Program.	The Board of Education for the Borough of East York.
Prof. R. Craig Brown, Editor; Prof. Ramsay Cook, Past Editor and Michael S. Cross, Assistant Professor of History.	Canadian Historical Review.
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Mr. Rex Williams, Chairman; Mr. Lloyd Elmer, Vice-Chairman and Mr. Ivor Owen.	University and College Publishers' Group of the Canadian Book Publishers' Council.
Mrs. Hazel Farr, President; Mr. R.G. Dickson, Executive Secretary; Mrs. S. Dubois, Assistant Secretary and Mr. Omer Deslauriers, Member.	Ontario Teachers' Federation.

Toronto, Ontario,
May 12, 1971.

--- The hearing commenced at 10.00 a.m.

THE CHAIRMAN: Gentlemen, we do apologize but there was certain information I wanted to exchange with my colleagues. We have moments when information is important and it keeps coming in on us.

Now, we have with us this morning representatives of The Board of Education for the Borough of East York, Mr. F.C. Hill, Chairman of the Board, Mr. D.A. Morrison, Director of Education and Secretary-Treasurer and Mr. R.G. Taylor, Superintendent of Program.

Our usual practice is to summarize the brief and then we will question you on it.

SUBMISSION OF THE BOARD OF EDUCATION FOR THE BOROUGH OF EAST YORK

MR. HILL: I am very sorry but I can't identify to the people on my side, I know the names but not who they fit.

THE CHAIRMAN: This is Mr. Camp, this is Dr. Jeanneret and my name is Rohmer. We are the Commission.

MR. HILL: We do not feel that we are qualified to give suggestions in respect to the main purpose of this Commission. We are certainly not qualified to give opinions on the economics of the publishing industry or the economics of

distribution problems. We do have strong opinions on what we want in our schools and what we don't want. I don't think we are particularly asking for anything but if you get that flavour from the answers we give to your questions, it is certainly there.

I was not prepared to make a summary but we certainly are prepared to answer any and all questions.

THE CHAIRMAN: You are prepared to discuss with us what is in your brief and answer some questions about the operations of your Board, about Circular 14, texts and things of this kind, is that all right?

MR. HILL: Yes.

THE CHAIRMAN: We will start off with you on that basis.

MR. CAMP: As you say, Mr. Hill, there is some discernible ambivalence to me in your report which most turns on the matter of Canadian materials as opposed to other materials. I just wondered if you would explain (a) in which you say among your chief desires is that textbooks written by Canadian authors and produced by Canadian publishers, first of all, by "Canadian publishers" do you mean indigenous Canadian publishers or do you mean publishers domiciled in Canada? Do you make any distinction between Park Newman and Prentice-Hall?

MR. HILL: No, as long as the books be produced in Canada.

MR. CAMP:

" ... become increasingly competitive with other texts of foreign origin."

Let me ask you, what does that mean, "increasingly competitive"?

MR. HILL: I think there are two from the standpoint of the Board purchasing texts, two ways in which Canadian texts to my mind would not appear to be competitive. They are not marketed with as much as energy and flare perhaps.

MR. CAMP: And price is also a consideration?

MR. HILL: Yes, they are much more expensive. Not textbooks but in certain Canadian library material. Mr. Taylor might have a better feel for that question.

MR. TAYLOR: My concern in my position is the quality of the book itself and I am afraid that the cost may take on secondary importance. I am not an economist and I am not familiar with publishers but I hear rumours, for example, that it is cheaper for a Board to buy directly from a publisher in the United States, to buy directly from the States than to buy the same book from a Canadian distributor. Someone has reported to me that it adds about 70 cents per book at least if they purchase a book in Canada that has been produced in the States.

MR. CAMP: The same book?

MR. TAYLOR: That is my understanding. I have not had time to investigate it all. I don't know to what extent it is true but the rumour seems to persist.

MR. CAMP: Would you perhaps, Mr. Chairman -- perhaps we could confirm or otherwise that if there can be such a thing as a 70-cent per copy differential for the same book when purchased in Canada as compared to being ordered from the United States --

THE CHAIRMAN: I wonder who in your system, in your particular school board is responsible for textbook purchases, who might give this kind of information? Is there any one of you who has this responsibility or someone else?

MR. TAYLOR: I have the responsibility for sending requisitions on to the accounting department which produces the purchase orders. As I say, my concern is to chiefly -- does it belong in Circular 14 and is it approved, does it come under those guidelines.

THE CHAIRMAN: Who is it that makes the decision to buy from the American source directly or from the Canadian distributor?

MR. TAYLOR: Our purchases, I believe, are made in Canada.

DR. JEANNERET: This 70 cents, 70 cents compared with what? If you are talking about a trade book, a work of non-fiction or even a fiction, you would have one set of circumstances. If

you are talking about a basic educational book, I don't expect it would be a textbook of Circular 14 very often, you have a different situation. Do you know what we are talking about?

MR. TAYLOR: As I said earlier, this is just at the rumour stage. I heard it only last night and I have not had a chance to investigate it. The source of my information was a library consultant to whom I was talking, a jobber, I believe.

MR. CAMP: I wonder for the record, or if not for the record, for my information, if either or any of you could tell me the process by which your Board purchases textbooks for the schools in your jurisdiction and/or books for the school library?

MR. HILL: You are getting right at the basic source of the demand for the books through the physical giving out of a purchase order?

MR. CAMP: Yes. One of the things I am interested in is whether there is ever any consideration such as a tender basis for books, say, the degree to which it is competitive on price, for example. Whose responsibility is it and who makes the decision? I understand that you inherit the decision and you check it out as to its applicability to Circular 14 and so on, and you forward the invoice.

MR. HILL: We are told what textbooks and what library books to buy. Mr. Taylor might enlarge on this.

MR. TAYLOR: We have never, to my knowledge, considered the possibility of tendering for our textbooks. When an order comes in from a school it is approved by someone in administration who looks at all textbook requisitions. It goes on to the accounting department and the order is put through directly to the publisher.

MR. CAMP: So, the decision as to whether you bought it through a publisher in the United States or through his agent in Canada, is one of caprice or is there a standard practice?

MR. TAYLOR: If you are talking about textbooks the practice is to buy directly from the publisher. The publisher has a list in the back of Circular 14.

MR. CAMP: What about books for the libraries?

MR. TAYLOR: Most of them are bought through Canadian Book Wholesale in East York.

DR. JEANNERET: I suggest that that is the area in which direct purchasing might yield an apparent saving because their wholesale purchases are jobber handled. They are jobbers.

MR. TAYLOR: And books are processed for our libraries. It saves us cataloguing.

MR. CAMP: On your statement, even though one should encourage the use of textbooks and other materials that are Canadian, nonetheless you conclude that the best material be made available to students regardless of origin?

MR. HILL: That is right.

MR. CAMP: Nationalism, if necessary or if not necessary. In other words, there is a quality assessment that has to be made and I was interested in knowing who would make this decision.

MR. HILL: I think the teachers of the department and the principals would make the basic decisions and then they are subject to approval by the office, by the administration staff.

MR. CAMP: In the case of textbooks, have you ever allowed a school to depart from the need that this book be on Circular 14?

MR. TAYLOR: Our practice is to return the requisition to a school which comes in asking for a book that is not on Circular 14 with an explanation as to why we are not proceeding with it. If the principal feels strongly enough he will call us back again and that may lead to a written request outlining in his opinion, the merits of the book and if we feel that the document that he has given us is a good one we send it on to the Department of Education for their comment asking that we be permitted to experiment with this book.

An example, I suppose, of that is that we have had recent approval given us by the department to experiment with the Cambridge Latin Course which is not listed in Circular 14 but which our teachers feel has a great deal of merit. I think the department probably would be interested in seeing us using it in our schools so that has come

through.

MR. CAMP: That is helpful. This has happened occasionally, rarely or frequently?

MR. TAYLOR: It happens occasionally to rarely. Sometimes the Department of Education, when we send a request to it for consideration, will deny our request. Occasionally it will compromise a little and say, "You may buy one class set of this" but it is not a textbook, it is a class set for reference purposes.

MR. MORRISON: Mr. Chairman, if Mr. Taylor would take the next step we will get Board approval as well. If he would just go on to the next step.

MR. TAYLOR: Well, I am sure you gentlemen know about the textbook resolutions adopted towards the end of the year covering the textbooks that are being used in school the following September so that any book that is to be used whether it is within Circular 14 or whether it has been granted special approval by the department, goes on to the Board for its official stamp of approval.

MR. CAMP: That is necessary so that the board is paid, receives its grant?

MR. TAYLOR: Not necessarily now. I think the Board has a right to know the books that are being used in its schools.

MR. CAMP: Just to clear up this area in my own mind, in the case you cited of the Latin series, the Cambridge Latin series, the acceptance of that by the Department of Education on your recommendation for use in the schools, would that, then, automatically put it on Circular 14?

MR. TAYLOR: No.

MR. CAMP: In your recommendation you say that there be:

> ". . . a system of incentives and subsidies administered in such a way as to remove any concern about possible political influence and patronage . . ."

I was interested in the suggestion there. There has, of course, been in many provinces, Ontario included, many years ago there was not only the suspicion of patronage, but some substantial evidence of it in textbook buying. I wondered why it would be your particular concern as to a possibility of this? Do you see any live possibility -- we have a program to encourage Canadian texts produced by Canadian authors and publishers in school libraries, that there

would be any particular danger of political influence of patronage, or perhaps you mean it in some other sense than the way I understand it?

MR. HILL: I think we would be concerned that something as essential to the development of human beings as education texts should not be carried out by an arm of government. It is just a general feeling I have. It is about the easiest spot to propagandize, I think, is in the school.

DR. JEANNERET: By an arm of the government, I don't quite understand ---

MR. HILL: Say, perhaps, Department of Education.

MR. CAMP: You suggest a corporation. Now, you suggest, I take it, some non-government corporation?

MR. HILL: Yes, not controlled by the provincial government or Department of Education.

MR. CAMP: By none of those?

MR. HILL: Yes. I don't know how -- as I say, we are not versed in this area but my own personal preference would be subsidies to any book producer in Canada.

MR. CAMP: A government subsidy to ---

MR. HILL: Subsidies to anybody who produces books in Canada.

THE CHAIRMAN: Granted by whom?

MR. HILL: That would have to be through the government, through a Crown Corporation, or something.

THE CHAIRMAN: A body?

MR. HILL: I am thinking in terms of subsidies along the line of an allowance to defray the additional costs of short runs which we would have to have for the Canadian market, subsidies to defray the extra costs of transportation and deliveries.

MR. CAMP: Do you assume --

MR. HILL: To make book publishing competitive.

MR. CAMP: Do you assume, or do you suspect there is some of this now, the kind of thing you say?

MR. HILL: I really don't know. I don't think anybody on our board has any real knowledge of the book publishing industry.

DR. JEANNERET: We are in sympathy. You are talking about subsidies, selection, are you?

MR. CAMP: They are talking about both.

DR. JEANNERET: If they are talking about selection, I am surprised at the answer, because you are questioning the objectivity of the present selection procedures under Circular 14, for example. Were you

criticizing them?

THE CHAIRMAN: I think you used a word here that has perhaps excited our interest beeause it is an operative word and you say:

". . . through a system of incentives and subsidies administered in such a way as to remove any concern about possible political influence and patronage . . ."

MR. HILL: That is an unfortunate choice of words on our part.

THE CHAIRMAN: This is a moving word and moves us to ask the questions.

MR. HILL: That is a good point. That is certainly not our concern or suspicion.

THE CHAIRMAN: There is no evidence of this at this time?

MR. HILL: My own impression, and perhaps Mr. Morrison and Mr. Taylor might have a different one, but my own impression is that there is none of this in Circular 14. I think the administration of book selection is done in a fairly equitable manner..

MR. CAMP: So you would suggest a corporation which would be empowered to dispense this incentive and subsidies?

MR. HILL: I think the problem is -- once again a personal prejudice, but I think the problem is not just an Ontario

problem, it is a Canadian problem. From any travels I have done, and what I have seen in school systems outside of Ontario, I would suspect a very high percentage of the textbooks particularly are American.

MR. CAMP: I think I only have one final question which is really an effort to summarize your point of view from the full advantage of your experience. This whole thing does apply that in your judgment there is a paucity of Canadian educational materials by Canadian authors?

MR. HILL: Yes, other than the textbook area, I don't know what the percentage would be in our system, but I suspect it is well above 80 per cent of our textbooks and perhaps 90 per cent of our textbooks.

DR. JEANNERET: That is because Circular 14 hits exactly those figures.

MR. HILL: Does it? Mr. Camp's question certainly hits what we feel is the situation in teaching materials and libraries. There is just very little available.

MR. MORRISON: One small comment. I don't want to go back, but the point on purchasing, the whole field of purchasing in all school business is undergoing constant change. On Circular 14, with respect to textbooks, it is clear, but with respect to library books, you see, the whole thrust of the

school libraries has only come about in the last few years where you have a constant struggle as to what is the best and fastest way to get those books in those libraries, catalogued, numbered and so on, so they can be processed. We are just beginning to take a look at the point you were rubbing at, the business of purchasing and tendering and the process that is used, especially in the library book field.

The other comment I wanted to make, which is appropriate to something that was being discussed a moment ago, I am not in a position to say there is some willful handling of this kind of process really. It would be very interesting -- I don't know of any studies that have been done -- it would be very interesting to take the textbooks which are put in front of children or library books, even, books in general, and see if we can find a kind of flavour. Let me give you a simple illustration: In one of the reading books that I should have brought, the illustrations are father comes home from work, he comes home in a Cadillac-style car. There is a clipped French poodle that meets him at the door. Mother is extremely well dressed, as though she has not done that much work all day, although she may have changed. She does not have an apron on and the house is at least upper income, well above average. I am not suggesting

to cut a hole in the page and put another house in there. I am not suggesting you cut the poodle out and put a mongrel in, but I am suggesting that there is more than nationalism, there is more than cost, there is more than all of the things that may be discussed by your gentlemen, which influences in the book field. I am speaking mostly of socio-economics there. You might take that into any field you like, whether et cetera, et cetera, and et cetera. We should look at these and I don't think you should set up a censorial board like the movies, but I think most of us who have to make the selection should have some of these factors in mind.

MR. CAMP: Extraneously, could I just ask you, that book you are citing, is that a Canadian book?

MR. MORRISON: Yes.

MR. CAMP: Is it on Circular 14?

MR. MORRISON: I think it is but I think I should check that.

MR. CAMP: Could you give us a copy of that book?

MR. MORRISON: I think so.

MR. CAMP: Lend it to us; be an instant library.

MR. MORRISON: In a sort of

pseudo-artificial way you could say "Maybe next year, in order to sell the book, we had better have at least one mongrel, or at least somebody with black skin, or at least one -- ". Unless it is a sales gimmick, if I can decide this in my own mind, that makes a dangerous conclusion: who is going to decide? It had better be a kind of team of people who care what kind of books are coming to the children. We have all sorts of records in the modern day and books which were designed to do certain things to put before children X-number of so many millimetre guns, so many -- X-numbers equal, and so on, and mathematics can't be argued with. X-number of Fokker aircraft, plus so many ---

THE CHAIRMAN: Get us out of the war, will you? A very interesting observation, and I think an original one here.

DR. JEANNERET: I think there are several ideas that have come out of this very brief brief and the discussion that we should not lose sight of. Mr. Hill was poking around on the motion that was put before us in a completely different context yesterday by Professor Bladen. In effect you are saying you are not worried about the Canadian content textbooks and you are about -- Professor Bladen spoke of as the "neighbourhood area". He

was talking about scholarly and now we are not. We are talking about general non-fiction of every description.

If there is any way in which someone could stimulate creativity in the neighbourhood areas other than textbooks, that the question of curriculum content of the Canadian flavour and so on would perhaps tend to look after itself, or at least if it didn't look after itself, there would be some pressure in that direction ? I got that message out of the point you were making. The paucity of materials beyond textbooks that could be called Canadian. Is that what you are saying?

MR. HILL: When you used the word "neigbhourhood", you mean?

DR. JEANNERET: Neighbourhood textbooks.

MR. HILL: Instructional materials.

DR. JEANNERET: He was using it in a special sense. I just borrowed it to enlarge on his reason for using it. You do stress that point, don't you, that we need books that are planned for our children, other than textbooks?

MR. HILL: Most definitely.

DR. JEANNERET: First.

MR. HILL: From what I have seen

of our own schools, and it is probably fairly typical in Metropolitan Toronto, I don't think there is a lot of material that could be classed as textbooks available for all students in the class or the school which is not Canadian. I don't think you get down to the point where 95 or 100 per cent of it is. We shouldn't be cutting the children off from all the sources of reading.

DR. JEANNERET: We are straining to get our textbooks Canadian without resource materials to back them up?

MR. HILL: Yes, something like that. Perhaps Mr. Taylor or Mr. Morrison would want to speak on that.

DR. JEANNERET: Well, Mr. Morrison made a point in connection with the content and he scrutinized it, you can say, and I would like to make the observation based on my own experience and I think in the publishing respect for some years now, I have been in school book publishing for 18 years, and I think it has some significance and you bring it to mind, Mr. Morrison, and that is that to too great an extent the publishers' representatives whom you would see -- and this might go for some of their editors too, I am afraid it does -- certainly for their executives, administrators and so on, simply have not read their own school books that they are publishing, much less the published school books of their competitors. They talk about them and have superficial appreciation of them, they understand the principles on which they are based and in some odd cases are pretty intimately acquainted with them but it is the rare person in a given publishing house who is intimately acquainted with the texts of the books that that publishing house is putting out, intimately acquainted.

Would you think that is a fair

statement?

MR. MORRISON: Yes, sir, I do.

DR. JEANNERET: We are a little inclined to generalize and say everybody in publishing house X should be ashamed of this or should be proud of that. The fact is they don't necessarily have that intimate acquaintanceship with what they are dealing with.

Would you give us the benefit of your advice on a semi-statistical matter and you may not be able to even generalize on it right now but we will study the question: In 1968, I believe it was, the per pupil grants of $3 per pupil in the elementary and $12 in the secondary were integrated as you know with the per capita grants of $500-odd per student and the point was made at that time that this would make possible the spending of more money rather than less money necessarily on school book materials and books for the classroom.

We have heard repeatedly now that it worked the opposite way. Are you prepared to make any general statement as to whether, on a per student basis, or per capita basis, you are spending more or less on books than you did three or four years ago in your budget, having regard to the fact that there has been the rise in multi-media, non-print media and other factors too, but taking it all in all, have you any impression?

MR. HILL: Speaking as a trustee

and one who has probably more experience in the financial end of it perhaps than any other, I would think that the grant structure had little, if no effect, on the library and textbook purchasing in Metrpolitan Toronto. What the effect would be in rural Ontario with smaller wards who are more conscious of dollars, I don't know, but I don't know just what is happening across Metro in terms of dollars per capita of spending on textbooks and library books.

I feel that textbooks probably per pupil have gone up just because the cost has gone up.

DR. JEANNERET: Since 1968 you know what was spent because they couldn't get it for anything else but you are suggesting it probably has gone up?

MR. HILL: Yes, and library books have gone up very steeply. Perhaps Mr. Morrison would speak on this.

DR. JEANNERET: I suppose the $3 per pupil grant then became used for library books as well?

MR. HILL: I know they are on purchases of books in Metropolitan Toronto, I am quite sure. The predecessor on the Board before me had absolutely no connection with that consideration. We spent exactly what we needed and our consideration of what we spend has gone up very sharply over the last few years.

DR. JEANNERET: It would be one of the pressure points in any budget. We are not drawing any conclusions yet but it could be an area of economy.

MR. HILL: I can only talk about our own local Boards and I think that would not be true, that has had no bearing on our purchases.

DR. JEANNERET: Just one other question and that relates to your recommendation that consideration be given to the possibility -- and I realize this is just a possibility -- of creating a corporation empowered to solicit the services of writers and authors to research, develop and publish textbooks.

Now, this smacks to me of the old Minister of Education copyright situation again which you might say stultifies activity on the part of publishers. Isn't this a danger in this recommendation? You would end up going not to publishers to publish but to printers to print on a tendering basis and the whole pressure you create would be centralized and lack competitive influences? I am afraid it comes out that way for me.

MR. HILL: If our suggestion were followed in any way and that would happen, I think as you express it, I would be very disappointed that such a thing would happen.

THE CHAIRMAN: At the outset to my line of questioning I want to say that the

Commission sent out about 200 invitations to Boards to file briefs with us and the response in a typical way -- I don't know whether it is typical or not -- we had about five or six who have risen to the challenge and so I think on behalf of my colleagues and myself we commend you for your appearance here. We hope it will not be painful but it certainly will be helpful to us and I hope there will be many other school boards and if they don't come to us we may have to, in some way, go to them,which is fine.

Looking at your brief you say one or two things that I would like to ask about. You say,

" ... atmosphere of Canadian opinion be fostered in the libraries and class-rooms of our educational system."

If Circular 14 is being followed now, you have indicated that it has been and is being followed in your Board structure anyway in the system in East York, is it not assisting in creating an atmosphere of Canadian opinion at this time?

MR. HILL: Most certainly it does but I think we are in a situation where textbooks become increasingly a smaller proportion of the total print and non-print materials that the students learn from or obtain influence from and I am sure this will only continue perhaps to the point where textbooks are only a 25 per cent

influence.

THE CHAIRMAN: This goes back then to a remark you made concerning teaching materials, that this is where the shortage of Canadian production, original production lies?

MR. HILL: And in library books.

THE CHAIRMAN: And in library books?

MR. HILL: Yes. This goes into the whole area of non-textbook and teaching materials. Practically anything you look at in the library is non-Canadian. That is an over-generalization.

THE CHAIRMAN: Why do you think it is that in the learning materials of which you speak, that there is not more of the creative initiative being used by Canadian producers of this kind of material? Have you any opinion on that?

MR. HILL: Well, my own feeling is that we are part of a North American market whether we like it or not. There are about 200 million in the United States and 20 million here, so I would assume that 20 out of every 21 authors in North America is very likely North American.

THE CHAIRMAN: Could it be put this way: The United States dwells in the United States market and in Canada it dwells in the North American market, is that right?

MR. HILL: Yes, that is very well put.

THE CHAIRMAN: So, I suppose the question for all of us, if that observation is a

correct one or is acceptable, how do we overcome that situation? Do we attempt to create a Canadian situation in Canada or do we want to continue with the North American process as of now?

MR. HILL: I think if we are going to do a proper job in terms of education of the students in our system we can't shut out the rest of the world by any means. That is just one general opinion.

THE CHAIRMAN: I wonder if you were a school board in Georgia or somewhere in Florida if you would take the same position or would have to? That is a hypothetical question.

MR. HILL: Well, you probably would not be aware that there was a choice and in the second place you would probably have to. It is just a case that nothing else is ever presented to you except in very rare instances.

THE CHAIRMAN: Do you acquire most of the Canadian learning material that is made available, Canadian-produced material, as a matter of policy or do you take the best that is offered?

MR. HILL: I like to think we take the best.

MR. TAYLOR: We choose the best. If preference can at all be given, of course, it is given to Canadian material. As Mr. Hill has said we are concerned with the quality of education in our schools.

MR. HILL: I would like to think that

we give some bias towards Canadian material.

THE CHAIRMAN: Does your bias ever take you to the point where you have said to the person, or the firm, who are attempting to sell you this material from some other place, "Take it away and bring it back in a way that is shaped to our country rather than the country of origin"?

MR. HILL: Certainly the trustees are never in a position to do that and I couldn't answer your question. Maybe Mr. Morrison can.

MR. MORRISON: There are more people prepared to say just what you said, sir.

THE CHAIRMAN: I didn't say that, I am questioning you.

MR. MORRISON: I was just answering.

THE CHAIRMAN: Do you think there is something going on, a sort of stimulus?

MR. MORRISON: I would hate to set up walls in order to gain this particular end, all the mechanical devices that sometimes might be mentioned. I would rather hope that this idealistic point of view, I would hope that Canadians will move into Georgia, as you say. Once they come here, in most cases they would use our system. They are flabbergasted by the kind of material we have. Would that you could lock away in a room then, where you have X number of the best scientists, best producers of books and you might have some sort of North American fame, if you will, but with due deference to the Canadian instrument

in whatever form it is.

THE CHAIRMAN: There is no question you are doing very well.

Can we move on to one or two other questions. There is a resolution of the Board each year which deals with the question of books and I suppose learning materials. I wonder, Mr. Chairman, if we could have a copy of the resolution last year and if you have arrived at the point of dealing with such a resolution this year, would you be kind enough to let us have a copy of this year's resolution? It would be useful for our records.

MR. HILL: We might have it with us, but I doubt it.

MR. TAYLOR: We don't have it with us.

THE CHAIRMAN: If you could send it to us?

MR. HILL: We will do that. It doesn't cover instructinnal materials, though.

THE CHAIRMAN: Do you deal in policy terms, resolution-wise, with what you just called instructional materials?

MR. HILL: No, we don't.

THE CHAIRMAN: Why?

MR. MORRISON: There is a purchasing policy. It may not be spelled out in adequate terms for our Canadian materials. I suspect, more than suspect that our Board

in looking at this particular presentation, has said to itself "Let us have . . ." ---

THE CHAIRMAN: I often wondered if school boards talk to themselves.

MR. MORRIS: "Let us give this job to a committee of policy and by-laws in order to cull what might be some ideas which could be general guidelines and policies for the whole field of library non-print, instructional." I mean, audio-visual and all included materials.

THE CHAIRMAN: Are they then open to virtually a free choice? Who makes the choice that is open to them, this free choice?

MR. MORRISON: This would start in the school itself or in the case of audio-visual materials, with a combination of the schools, committees, principals, consultants, who screen material by the yard and by the hour and then take a look at quality, price, relation to the content of your curriculum and say "For our budget and for this year, these are the best purchases we can make".

THE CHAIRMAN: Is there a budget to limit this, is it assigned to learning material of this kind, audio-visual and this kind, segregated as to this?

MR. MORRISON: Yes.

THE CHAIRMAN: I wonder if we

might also have the benefit of looking at your budgets for the last five years, if you can search your records for this purpose?

MR. HILL: No problem at all.

MR. MORRISON: The Board says we have a number of professionals, in classrooms there are professionals. They need supplies and instructional materials. We had better listen to what they need. This has led us to the position that -- and we know it, because of the budgetary limits this year -- I don't know whether to say it boastfully or just admittedly -- the highest per-pupil cost in Metropolitan Toronto in the instructional materials field. When you start laying parameters on it and guidelines and ceilings, they made significant cuts in these particular budgets in 1971. This means that when you are drawing a map across Metropolitan Toronto which is a common financial base, I believe it will be more in line with a formula which was established for supplies or audio-visual materials, or whatever segments of a budget reflect this.

THE CHAIRMAN: Have your cuts also related to textbooks?

MR. MORRISON: Not per se. That would be a general division. The judgment-making would not zero in on textbooks in this situation.

THE CHAIRMAN: I wonder, if you have the time, somebody might very quickly figure out with all the skill and experience you have had, the per capita spending for texts and/or learning materials over that period, going through the period of time and preceding the period of time when the grants started to change and following it through? We are giving you homework. (Laughter) Do you understand what I am getting at?

MR. HILL: We would be happy to give you anything we have and to give you any additional information you need, but we can't promise over a five-year period it will be all comparative. It has been changed and the segregation of accounts has been changed, for expenses to come in line with standards across Metro.

THE CHAIRMAN: I think that would be useful just to the best of your ability. Is there any mechanism within the framework of your school board for inspection of the texts which are being used in the classrooms, or do you consider that this is necessary under the system that you have of acquiring textbooks?

MR. HILL: I am just trying to reach for the point you are getting at.

THE CHAIRMAN: The point I am getting at is, are there certain textbooks which are provided for and approved by Circular 14,

do I assume that because you purchase a text, it goes through your hands, your system, that this system of purchase through your office is such that you are satisfied that circular 14, in fact, is being adhered to in the schools and in the classrooms?

MR. MORRISON: Mr. Taylor has our guideline with him which I suggested he bring.

THE CHAIRMAN: We finally got to that.

MR. TAYLOR: Well, every four or five years we do a very comprehensive survey of the textbooks that are in the schools. This happens to be one of the years in which we are doing this survey. We ask the principal to list the books that are being used in his school under the various subject headings and the authority under which he is using them, whether it is the present Circular 14, 1970, or a previous Circular 14, whether he is usding them under the authority of 5(c) clause in Circular 14, or whether he is using them with written approval from the Department of Education.

THE CHAIRMAN: Have they ever given you any texts which are not on any of those lists?

MR. TAYLOR: Yes, it has happened. It is happening less frequently now. That

points to the importance of textbooks as requisitions, all of them going across one desk. I think over the years we have tightened up on our handling of textbook requisitions and that we are going to have fewer and fewer as the years go on.

THE CHAIRMAN: It might be good if you could leave us a copy of that, or if you could send us one.

MR. TAYLOR: This is the copy I am working on at the present time.

THE CHAIRMAN: You can send us a copy, then.

MR. TAYLOR: All right.

THE CHAIRMAN: Gentlemen, again, we appreciate your coming very much and, Mr. Chairman, if you do happen to see Mayor True Davidson in your area, for whatever reason, I have no advice to give you, but give her our regards.

MR. HILL: I certainly have some advice to give her! (laughter)

Thank you very much. I am sorry there have not been more school boards giving briefs to you. I think the educational system has more to gain or lose from deliberations of yourselves and from changes in the publishing industry than perhaps any other aspect of our life.

THE CHAIRMAN: The whole area

of textbooks is of enormous importance in the field with which we are charged to operate, and I think it is a matter of great importance to us as well.

MR. HILL: Thank you very much.

SUBMISSION OF THE CANADIAN HISTORICAL REVIEW

THE CHAIRMAN: We have with us the representatives of the Canadian Historical Review, Professor R. Craig Brown, Editor, Professor Ramsay Cook, Past Editor, and Professor Michael S. Cross, Associate Editor.

I wonder if you could give us some of your background, where you are, who you are and so on, so we can just get this on?

PROFESSOR COOK: Thank you very much for giving us this opportunity to appear before you. I should perhaps apologize, first of all, for the absence of Dean Saywell, who happened to be elsewhere this morning. Dean Saywell of York University was, in fact, the editor of the Canadian Historical Review.

Just to make sure I get the dates correct, from 1958 to 1963 and during this period I became the Associate Editor and subsequent to his retirement I then became editor of the Canadian Historical Review. I am

at present Professor of History at York University. My retirement from the position of editor, Professor Brown, who is a professor of history at the University of Toronto succeeded me after being my associate for some time. He is presentely the editor of C.H.R., and Professor Cross who is also in the Department of History at the U of T is also associate editor of the Review.

THE CHAIRMAN: Just to touch on a few points -- would you just touch on the points you consider germane?

PROFESSOR COOK: I think the main point we have attempted to draw to your attention is our conviction, both as fathers and perhaps more particularly since we have all been involved in the publication of this material, draw to your attention what we feel to be the considerable importance of academic and scholarly publishing in the whole range of non-fiction -- I guess it is non-fiction publishing in Canada, while the kind of material that we deal with in the Canadian Historical Review is perhaps not of the kind which had an enormously wide audience in the form it appeared, largely professional stories, and interested people in the school system and at the University level. This kind of material we feel is necessary if sound writing in the field of textbooks and

more general history and social science work is going to be produced for Canadians in Ontario and elsewhere to use in their educational system or to use for the general interest in reading about our country.

It is obvious to you that this kind of publication, being of a relatively limited distribution, is of the kind that is not in any very real sense self-supporting. We have had the experience of finding that the University of Toronto Press, particularly in our case, and others who follow the publication as well, has shown ability and willingness to support us in this endeavour over the course of the years, to a fairly considerable sum of money in our own case, and this is only one of the journals that scholarly publishers support.

We had hoped that by drawing this to your attention, when you come to make your recommendations, although we have no precise recommenations to make to you, that you wouldnn't -- I am sure you wouldn't -- forget the important role university presses play in the whole of publications in Canada.

Those are my comments.

THE CHAIRMAN: I must say I concur that there is some reason to believe that would not be overlooked, a rather large reason. (Laughter)

DR. JEANNERET: Really, any questions I might put to you are superfluous and I think the emphasis that you put on the seminal nature of your work in relation to Canadian publishing generally, this cannot be exaggerated. If you are wrong, I am dead wrong, and I have been in it for a good many years.

You made a reference in your brief too, I think it was Innis' Fur Trade being published by University Press. It is a rather good example of the importance of internationalism in publishing.

It has been republished here, as we all know, and books of this kind can be co-published.-- should be co-published and should very often be co-published. That is not exactly pertinent to your brief but it shows us just how we should be operating internationally and why it is necessary to sell editions and why it is necessary sometimes to buy editions and so on but as far as I am concerned my colleagues may change my mind and it may read like Holy Scripture and I will say, "Amen".

MR. CAMP: I just have a couple of questions on the examples which you cite which are Innis and this early book of Creighton's. There must have been some changes for the better since then, in terms of the marketability of works of this kind in this country. One thinks of -- let me ask you this, though, for openers: What is a scholarly publication? Is it something written by a scholar?

PROFESSOR COOK: Yes, Mr. Camp, I think a scholarly work is certainly something written by a scholar. I would not be so arrogant as to suggest that a scholar would only be a man who had a long string of degrees behind his name but when we are talking of universities I think the proof of the man being a scholar is one with a scholarship. I think it is the kind of work which is based upon some kind of quite exhaustive research. It may not necessarily be in the historical

field but indicates a critical approach to the kind of material he uses and the best that can be put together in a logical, convincing fashion. In other words, an attempt to examine material and I feel it may be in as objective a fashion as possible and to present it for distribution.

MR. CAMP: The work of such people as Creighton, Morton and Ramsay Cook, for example, are better marketed today than, say, the earlier works?

PROFESSOR COOK: Yes, indeed, that is certainly correct. It is correct for a number of reasons. It is much more possible these days, a good deal more possible these days, for a Canadian scholar to find a publisher for his works. The Canadian university presses have developed to a considerable degree since the early 1930's when these books, to which we refer, were first published and, indeed, the whole field and the whole community of scholars I might say is much larger now than it was several years ago. There is a much larger readership and I think the reading public at large has grown a great deal so that for all those reasons it is certainly much more possible these days than what it was.

Of course, if we are speaking of people of the stature of Professor Creighton he has a very wide audience. It may be a simple matter -- and I don't know, I don't speak for him --

it may be a simple matter for him to find an outlet for his written works but to some degree we have to depend upon the ability of the young new scholar just coming into the field who does not have that type of reputation and here the commercial publisher may be more doubtful about the publication of his works and this is the role which the university presses have assumed in the past and continue to assume and I must say they do so to a much greater degree than what they did. I don't mean to make that distinction totally absolute because it is certainly true that some commercial printers in Canada, McClelland & Stewart, for example, and Macmillan's for example -- just two which come to mind, there may well be others -- are willing, certainly willing, to take what I would call scholarly material as well, provided that it is not too specialized in character.

MR. CAMP: I suppose one of the contributions that the Canadian Historical Review makes is to create prospects for scholars to publish, to develop?

PROFESSOR COOK: Yes, I think it would be fair to say that. It is a place where the young scholar can do some of his earliest publications in a rather limited form and for a rather limited audience but there perhaps he might make his mark first.

DR. JEANNERET: Would you dispel the notion, Professor Cook, that is so widely held

that scholarly publishing involves the publication of theses and the like? Just say a word on it, you don't need to give the whole picture.

PROFESSOR COOK: Well, Dr. Jeanneret, certainly in my experience and perhaps my colleagues would agree with me, there is no process known as examination of theses for Ph.D. followed by immediate publication. I think that the university presses are perhaps as demanding, if not more demanding, in expecting the people who write theses that they may some day be worth publishing but they may need a substantial amount of revision of this material which may have been put together for a very limited audience, that is to say a Ph.D. doctor's examination by nine or ten people and supposedly in any case established professionals in that field and the procedure of taking that manuscript and transforming it into a book, which at least the presses hope is understandable for a much wider reading audience, I have been advised to some degree recently in the problem of copyright of theses. One of the things that I have had to argue with the scientists in which I have been involved is that people in the social sciences unlike scientists can't expect almost immediate publication of their research work.

There very frequently is a two, three, four or five-year period during which the revision is taking place, rewriting is taking place, often shortening is taking place so that while some

doctorate theses are perhaps rather close to being publishable I think on the whole most of them go through a very long process and ultimately I think turn out to be more understandable I might say to a wider audience.

PROFESSOR BROWN: I generally agree with Professor Cook. A function of a journal like the Canadian Historial Review is to provide for university scholars to give a trial run to a general theme of their theses in a shorter, briefer article.

MR. CAMP: I must say just in passing, one would not want to perpetuate the practice whereby editors were authors, which seems to be a hallmark of your publishing.

PROFESSOR COOK: I am certainly mindful of that. As a university press editor insofar as we were paid when I was editor, it was certainly hardly noticeable.

MR. CAMP: I agree, it is the principle of the thing.

PROFESSOR COOK: Given the amount of material particularly now that the field has expanded that these men have to deal with, that is to say the amount of material that is never published but still has to be gone through, some remuneration is perhaps desirable.

As to paying authors, even in this age, I still feel to some degree that a scholarship is a labour of love and certainly the evidence at the Canadian Historical Review is not a lack

of material even though there are other publications in the scholarly review that pay something.

MR. CAMP: There is a need to publish, you mean?

PROFESSOR COOK: Yes.

DR. JEANNERET: But we have to be very cautious about introducing a financial incentive in research.

MR. CAMP: I was going on to this in the sense that the publication of scholarly writing does not form the basis of the type of writing that eventually does reach students and the general reader.

PROFESSOR COOK: I certainly speak only for myself here. My numerous colleagues in the field may wish it were more profitable but it seems to us, at least, that it is not the kind of operation that we were engaged in and we would perhaps be unhappy if it were.

PROFESSOR CROSS: I would think the feeling of most of our contributors is that if we had more money available rather than putting it into paying contributors that it would be better put into expanding the journal. It is quite clear that our journal has not kept pace with the growth of the field in terms of the number of articles we could publish. It has grown only very modestly and I think that that would bewhere the financial thrust should go.

MR. CAMP: You have been very careful

not to make any particular recommendations but if there were any kind of additional assistance almost by definition in this country, it would have to be government assistance and my question is rather a general one which relates to a lot of the discussion that has been heard here.

You don't have any qualms about that sort of government assistance, the possibility inherent in government assistance?

PROFESSOR BROWN: I think we would like to know what kind of government assistance.

MR. CAMP: Money. That is the only kind of assistance anybody ever wants.

PROFESSOR CROSS: We do receive some indirect government assistance at the moment. It is in the form of Canada Council grants, very modest Canada Council grants.

THE CHAIRMAN: They are not liberal?

PROFESSOR CROSS: No.

MR. CAMP: I just wanted to ask Professor Cook, as an author, who is your publisher?

PROFESSOR COOK: I publish, sir, with the University of Toronto Press and with MacMillan's and with the company that was before you yesterday, Dr. Clarke's company and H.M.H. in Montreal.

MR. CAMP: This is apart from the brief but it is a question of some interest to me. In terms of general publishing as an author, do you acknowledge the advantage that a person writing books such as you do, having an international

publisher rather than an indigenous Canadian publisher, in terms of the marketability of your book?

PROFESSOR COOK: I don't think, in my own case, Mr. Camp, it has really made an enormous amount of difference. I don't understand entirely what the problems in terms of copyright and that kind of thing are, but I do understand the other kind of problem that there is no enormous interest outside of Canada in what I write. The distribution of my books to the United States has really been small and in the case of the University of Toronto Press they did have means of distributing the books in both Great Britain and the United States.

In the case of MacMillan's they certainly have contacts but I may say, sir, that during the year that I taught at Harvard University I put one of my books on the course and it was impossible to get it in the book store at Harvard University because of the copyright laws at that time so that even when I was successful in creating a market of about 40 students for my own book I couldn't sell it. There are certain reasons for that which I could explain to you but there certainly must be other Canadians who have a great deal more success than I do but I have not really had any kind of significant international market for my books.

MR. CAMP: I think the point that has been made before seems to be simply this: Anyone writing and publishing with an international firm enjoys automatically some kind of greater sales.

PROFESSOR COOK: I agree. Speaking very personally, maybe I don't write very good books, enough to excite terrible interest outside of Canada. I am sure people do and that may be an advantage but my general feeling in scholarly or semi-scholarly writing, most of us write primarily for Canadian readers.

PROFESSOR BROWN: I would say ---

PROFESSOR COOK: I am afraid on the side of money, which we are not totally uninterested in, you know, we are all university professors and, therefore, are already paid our salaries by the government. It puts a terrible restraint on what we are able to do and can do and in the case of the Canadian Historical Review, we are a subsidized publication and in our own case never seems to be a restraint of any kind except perhaps if we are in a position of libelling somebody in some obscure scholarly article. Of course, Professor Brown's point was that money we had received in this situation would only be acceptable if we were allowed to spend it autonomously except for the fact, if someone

offered us a large sum of money for secretarial help, or something of that sort specifically, that would be entirely different.

THE CHAIRMAN: What you are saying is the older generation cannot be an author or an editor in the context you are talking about?

PROFESSOR BROWN: It certainly applies in the context of the university press, Mr. Chairman.

THE CHAIRMAN: Will you tell us, please, about this exercise in copyrights which prevented you from obtaining books in the States? We are aware of these things, but I wonder if you would just explain the situation you found?

PROFESSOR COOK: I have not investigated this with great care, so that what I say to you is subject to correction by those who know more. The case is one in which a book which I had written had been, as I understand it, sold in a small number to an American firm and that small number, by the time I went to the United States, had been exhausted, sold out. It was a matter of a couple of hundred copies. That firm owned the right to distribute that book in the United States. It had no copies of the book and I assume, since it sold so badly, they didn't want any more, but that prevented the Canadian firm from exporting those books to the United States.

DR. JEANNERET: It is registered in Washington?

PROFESSOR COOK: Yes.

DR. JEANNERET: You could have abandoned the copyright by having deposited an instrument in Washington and so on.

PROFESSOR COOK: By this time I had found it so difficult with the whole problem of Canadian books, that if you ordered a copy of a book by Clarke, Irwin published in Toronto, I have found that they would write to London and I told them Toronto was somewhat closer.

THE CHAIRMAN: You have been given Dr. Jeanneret's gratuitous advice and it is worth a great deal more than you paid for it.

PROFESSOR COOK: Thank you.

THE CHAIRMAN: We thank you very much, gentlemen, for coming. You have been very helpful.

SUBMISSION OF J.M. DENT & SONS (CANADA) LIMITED

THE CHAIRMAN: Now we have with us Mr. C. Skinner, who is President of J.M. Dent & Sons (Canada) Limited. Mr. Skinner, I wonder if you would touch on the points you

would like to make in your summary to us and then we can talk about your brief?

MR. SKINNER: Thank you, Mr. Chairman. First of all, I would -- I don't wish to apologize for the brevity of my brief, but I did want to make it very clear that it is in no way indicative of my lack of concern about the problems of our industry, nor my hopes for the work of this Commission.

It would have been quite easy to expand on the work done by the firm in the last approximately 60 years in Canada, but my particular concern is for the future and I have tried to concentrate, as I have indicated, on the educational market in Canada, and I have tried to concentrate on what I think is the problem that the market for Canadian books has deteriorated very rapidly. I have almost been, at times, feeling like a voice in the wilderness, in the last six or seven years, talking to educators across the country, indicating that I felt this kind of problem was developing, and yet it caught me by surprise in how quickly it has developed in the last two years. I obviously was not very successful, but I think publishers by nature are optomistic and I am back here talking again.

I feel that out of the deliberations and briefs I have heard so far, there are two points that to me distract from the main point

that concerned me. One of these is the amount of coverage relating to Canadian ownership. I am personally convinced, had all firms in the last 20 years been Canadian owned in Canada in the field of publishing, that the need for the Royal Commission would exist today.

The second point is the emphasis on the need in the industry for capital for low-interest money. Again I am sure this exists with specific companies, but I don't recognize it as a fundamental problem. As far as our company is concerned, I would not take money at 3 per cent to put into the marketplace in the condition to where I won't participate at the present time. This is part of what we are doing and we are withdrawing from the history of about 20 years of concentration in this particular type of publishing. In fact, we have sufficient money. This is not our problem at all.

I have worked for two firms in my career in publishing, one of them Canadian-owned and the other British-owned, one the Irwins and the other the Dents. In both cases they shared one thing in common, they were families that were interested in original publishing. This, too, has been my interest.

Before coming to this Commission, I suppose as part of the substantiation of our qualifications for speaking, I checked

Circular 14, 1960. I must confess I chose that one because it was the earliest one I could find in my records. I don't think it is a bad choice because it does take us back ten years. It takes a period when Circular 14 had been in effect with the grants system for some time when the inclusion of a book on Circular 14 had great significance and I have chose three Canadian-owned firms, two foreign-owned firms from the 1960. These are simply numbers of titles listed at that particular time. Book Society, 8 copies -- 8 titles, I should say. Clarke, Irwin, 20. McClelland and Stewart, 5. Dent, 51. McGraw-Hill, 1. I then went to -- that Circular, I should add, by the way, is 32 pages in length. I then went to 1971, a Circular of 94 pages, and took the same companies. I excluded this time Schedule E, which really has not that much significance, as people in the industry know. Book Society, 15 titles. Clarke, Irwin, 39 titles. McClelland and Stewart, 26 titles. Dent, 86 titles. McGraw-Hill, 71 titles.

MR. CAMP: Could you give me the figure -- what was the first figure you gave?

MR. SKINNER: 1971 Circular, Mr. Camp? Book Society, 15.

MR. CAMP: What was it before?

MR. SKINNER: It was 8. I am

not suggesting these titles can be taken for any significant comparisons. I think there are a number of factors obviously, that should be taken into consideration if you are trying to reach some conclusion from this analysis. What I am really trying to indicate, I suppose, is our own interest in the field, our own participation, and therefore, our own concern for what has happened.

I am not sure whether it is too late or not. I understand someone yesterday felt it may be too late. I would say it is extremely urgent that publishers perforce, must turn in other directions when markets start to dry up. Our own sale in Canadian books has been reduced by approximately 50 per cent over the last four or five years and this is something that no publisher can accept very lightly. Our orders from particular provinces this year, such as Alberta and Nova Scotia, are about 75 per cent.

MR. CAMP: I don't want to interrupt you, but are you talking titles or dollar volume?

MR. SKINNER: I am talking dollar volume. In the one province this did not result from any dropping of titles whatsoever. It is a cut-back in some cases, obviously there are factors of over-inventory, possibly, from the year before, but this again

is helping to reduce sales. It is also a factor that provinces are being asked to reduce and, as ever, our part of the market is very vulnerable to this type of reduction.

When I first submitted my brief, I did not realize that an interim brief would take place, and I now realize this has been the case. I also understand it is possible that another interim brief could take place.

DR. JEANNERET: It is a report.

MR. SKINNER: Interim report. If this is the case, I would strongly urge that such a report might be considered by the Commission, directed through the Prime Minister of Ontario to the Council of Ministers, pointing out what I think is a crisis in the marketplace for Canadian educational books. In several of the provinces it has become extremely difficult to do books for them. We have, incidentally, in our time done special books for, I believe, every province in Canada. A province as small as Prince Edward Island, you could afford to do a special book for that province under the conditions that did exist. I might say that approximately two years ago a group of us did try this. The brief was largely, or at least started in our office. Quite a bit of it was written by my Vice-President, who died in

November, He was, in my opinion, as dedicated to Canadian publishing as anyone I have met. This did not seem to achieve any success.

I am hopeful now the crisis is possibly more identified and that the weight of your Commission will do something that a a group of commerical publishers were not able to do.

I think, Mr. Chairman, this would cover my preliminary remarks and I would be pleased to try to answer any questions.

DR. JEANNERET: I am interested in the history of your own firm's withdrawal in effect from trade publishing and concentration on educational material, Mr. Skinner. In a sense you have indicated, I think you have indicated, that rather than take money that might be available at a very low interest rate you would sooner withdraw from a non-profitable field and you consider, I think, generally that trade publishing has been unprofitable from your standpoint.

One of the hopes of the future of Canadian publishing obviously will be the small so-called independent firms and one of the mysteries that we have to reckon with is that they are concentrating in the very areas that there is a strong indication of houses such as your own that they can't afford to touch in fiction, poetry and so on. Would you like to comment on this a little? Do you feel that they will learn or that they will change, or what?

MR. SKINNER: Dr. Jeanneret, I will try. I will make one comment at this time, I am a commercial publisher. I never considered myself a national asset. I have always considered that if I go bankrupt I would have to go bankrupt. In the brief that was presented by the Publishers' Council I think there was an indication that quite often the direction that firm takes depends a great deal on the man in charge, the management, and,

in fact, I think in terms of the industry I would be more concerned about management than I would about ownership.

I think in our case this was part of the reason for the withdrawal from trade publishing. I joined Dent's in the beginning of 1951. Quite a bit of trade publishing had been going on at that time. My interests were in other directions and this is where I began to work. I think it was a question of time until I was able to show that much of the profit from the one part of the business was going off to literally subsidize the other and there were a number of publishers who obviously seemed to be interested in the general trade field who had done a good job in that field and my feeling was that either we went into it in a full-scale way and really did a job and tried to make it profitable -- and I must say I had doubts that this could be accomplished -- or withdraw.

The decision was to withdraw and in withdrawing I am saying this only in terms of original publishing. We at times have representatives in our own company which are really quite different from us which I think is another good indication that the parent company has had really no influence on us. They are largely a trade house with an extremely small insignificant, and if I may say so, educational line as opposed to our own direction.

DR. JEANNERET: You raised an

interesting new factor that should concern us and which we will have to keep in front of us. You alluded to the increasing reluctance on the part of authors to write in the face of smaller royalty returns and you are speaking about educational writing as much as anything, aren't you?

MR. SKINNER: Yes, Dr. Jeanneret, I could have worded that another way. As you know I am sure, if you took a general figure which is always dangerous I would almost say that 98 per cent of the books we have ever published were originated by our own people in our own house. To me this means you assume the responsibility of indicating to an author that a book is likely to be profitable and worth his while.

Many of our people are busy people who work for us and are interested in a return on their work so that I think this works both ways but they are very quickly finding out what is happening to sales figures and to royalties and they talk to one another and it is becoming a factor but on both sides, both on my part in terms of trying to convince someone this is worth their while, as well as their reluctance.

DR. JEANNERET: We have heard and you have said the same thing, I think, the key reason for the dwindling sales for educational books is the dwindling prestige of Circular 14, that has been discussed in various ways, and the vast expense and the number of individual titles

included in Circular 14 and you have certainly alluded to that very positively, the limitation of the per pupil grant after several years back and the rise of non-print media. You have got these different factors.

Now, you said in your recommendations that provincial educational authorities across this country must be convinced that Canadian publishing is in trouble and that they hold the solutions of these problems.

What I would like to ask you is, and would you discuss this, to what extent do you feel that provincial education authorities would be justified in compromising their efforts to do what is in the best interests of the education of the children for whom they are responsible in order to succour book publishing. For example, think of these Circular 14 problems that I have enumerated and which, I think, you are in agreement with. In relation to what the Departments of Education might do and whether or not from an educational standpoint they ought to do it, would you comment briefly on that? Does publishing or education come first, or do you think they should be brought into line?

MR. SKINNER: Dr. Jeanneret, as I previously said I have been talking this widely in the last six or seven years. My approach has been rather a basic one: Do we want Canadian materials in our schools, do we want Canadian

publishing of educational materials? This, I think, is a prime decision that educational authorities have to make. If they decide that, then we would like to produce them. The question of educational trends which have worked against this industry are really beyond us. I have my own private opinions as a parent who has children in school in terms of some of the things that work against our industry that I don't think work to the benefit of the children or education, but these are trends, they are very difficult to reverse. They have been coming along very quickly and many of them have worked against the industry and, as we are a commercial house, when we speak out against this we are talking from self-interest. But I suggest to you that it is the problem of the educational authorities which they have not faced up to in most of the provinces whether they care or not that in these schools Canadian material is available because unless it is going to come from some subsidized source of which I want no part, it is not going to come from commercial publishing if the present trends continue.

I have suggested certain measures in my brief which I think would bring this about.

I would like to make a point here that in my concentration I am not -- and I think I have indicated this in the brief -- I am not speaking against closed doors, closed markets or the cutting off of imported materials. There

are many things which we will never produce here for quite some time to come and I know from our own experience that we only need a reasonable proportion of the market to get along but there has to be a sufficient market for individual titles just to have the sheer title produced, and this is really what is not happening today.

DR. JEANNERET: You recommended that a balance be preserved between imported and Canadian materials through a specific division of budgets and I just wonder if a specific division could be made applicable throughout the whole of a provincial jurisdiction, for example, without compromising the educational interests of the system? You think this could be accomplished?

MR. SKINNER: I think this could be tried and I think it is a position that could be revised. One of our problems is simply that, that in my experience budgets, particularly as related to Ontario during that long period, simply never were discussed or reviewed.

DR. JEANNERET: I would be glad if you would give some careful thought to this question,it is a very straightforward one, I think: You said that publishers should not be expected to provide these copies. Would you carry this to the point of supporting legislation or regulations that might prohibit the provision of desk copies at a special discount?

For instance, if any one of us were

in a position to make an adaption proceeding, would you favour this if it could be engineered? I am not suggesting that it can be or should be.

MR. SKINNER: I would favour it. I think from the economics of the situation, these and a number of other things which were included in that, simply can't be supported by most publishers and this particularly puts the small publisher at a tremendous disadvantage to the larger one.

I think in most cases, or many cases, the smaller publisher is not at that great disadvantage. I think it has been evident from the people who have attended this Commission that the large companies do not have the dramatic brains and ideas that many small publishers have. Some of them have very good people.

In our own firm at the elementary and secondary levels we don't give desk copies. Obviously if the publishers worked together this would be a great help. When we came to the university field we came late and we felt we couldn't buck the trend and still we do go along with the practice of presenting desk copies, but in our own firm and against the practice of some of us... we do not give them at the elementary and secondary levels.

DR. JEANNERET: Just one other question: About how many books do you catalogue, how many books do you have in print, Dent books,

catalogued in Canada, total?

MR. SKINNER: The companies we now represent?

DR. JEANNERET: Yes.

MR. SKINNER: I would think this would now approach 5,000 and this has been increasing as we have had to take steps. This is the thing that we are worrying about.

DR. JEANNERET: Among these would be Canadian original works?

MR. SKINNER: Approximately 400 in the Canadian field. We are doing a few now in the trade area. Actually they are trade editions of educational books.

DR. JEANNERET: It is hard to stay out of it.

MR. SKINNER: This has been a broad part of our market.

MR. CAMP: You have a total of 5,000 of which 400 are Canadian?

MR. SKINNER: Yes, this is a difficult picture and incidentally if you want a further percentage to throw it into perspective at the present time, approximately 70 per cent of our business is done in our own books.

DR. JEANNERET: I am not quite criticizing the fact that when you get to No. 18 in Canadian Books in Print, this must be a matter of definition?

MR. SKINNER: I am talking now, when

I give the figure of 400, we are including work books, manuals and all other types of books.

MR. CAMP: Again, though, 70 per cent of your sales volume comes from the 400 Canadian?

MR. SKINNER: It comes from our Canadian materials and this has been first of all, a drop in percentage and, of course, this is a drop in percentage in terms of the total figure which is also insignificant.

MR. CAMP: What would the other 30 per cent be?

MR. SKINNER: Well, these are imported books of both educational and trade which we sell.

MR. CAMP: Both American and British?

MR. SKINNER: Both American and British. We represent, I would say, more American companies at the present time than British, but this would not relate to titles because our own Dent firm, for example, are something in the order of 600 titles in print. In many cases you may sell as few as 10 copies a year of a title.

MR. CAMP: Just so I understand the point you are making clearly, you talk about present trends towards a proliferation of courses with the multiple choices of materials. You say:

> "Present trends towards a proliferation of courses with multiple choices of materials have to be curtailed and brought within more practical bounds."

Would that refer to the proliferation of courses or the multiple choices of material?

MR. SKINNER: It is both. The one example I made recently with respect to one of the western provinces which recently introduced a new social studies course, I think it is from elementary up to grade VI, where originally they had prescribed quite a limited number of titles. The recent listing is something like 650 items of which we were asked to participate in terms of preparing specific materials for this, which would not normally be available from imported books because of their provincial aspect of them. We have done some of these and I am quite sure it would be a calamity, but it is very difficult because the book dealers now are changing. They no longer know with any certainty what the schools are going to use, until the

actual facts take place, so that in publishing, we must work so far ahead. We are so much further out on the limb than we ever were before that it is dangerous.

MR. CAMP: Would you apply that to Ontario?

MR. SKINNER: It is the same trend developing in Ontario. Last year, for example, there was a very substantial drop in the sales per titles. I think this applies to other publishers too. I don't think it is totally explained by budgets.

MR. CAMP: It is totally explained?

MR. SKINNER: It is not totally explained by budgets. There are so many choices and so many courses,and children are going in all directions. Some of the secondary schools now are picking out choices of courses that look like a university calendar.

MR. CAMP: Is the cost of the reprint, however small, nonetheless, less than the cost of printing an original?

MR. SKINNER: Not necessarily so, by any means. One of the practices we used to run into in the past, which was a very pleasant one, was where they have single authorizations where you get initial order of possibly 50,000 copies of a title, and subsequently, maybe three years later, your

repeat order would be 3000. This is something a publisher has to handle between himself and the book dealer, because then if it is a four-colour reader, there is no way you can break a press with that kind of quantity. Publishers either double up in two or three year supplies and they take other books normally in first printing. You have an amortization plan and hopefully you can get that out of the way as quickly as possible and have a reasonable reprint, which is a profitable part, but in the meantime, if that reprint is dropped down very small, than this advantage disappears. In terms of a printing figure, the difference between doing, say, 10,000 and 5000 would be almost double. It could put you into a very different category for buying paper and a number of things.

MR. CAMP: They charge the R & D, so to speak, against the first printing?

MR. SKINNER: Except I made the point somewhere - I forget where it was - writing to Mr. Pelletier, that most -- this is a generalization, but most of the mathematics series, science series, reader series, are done by foreign-owned companies working in Canada, and the cost of doing those is a different situation altogether. You can spread your plant so far in the optimism that you will get one of these authorizations, and if you don't,

then you are really caught almost forever with your reprints still having that original plant supply. This makes it very difficult because almost always reprints tend to get smaller as the book gets older. But there are exceptions.

MR. CAMP: Does this necessitate increases in prices per copy? You can't pass along part of this, pass-along part of this increase in cost?

MR. SKINNER: You pass along part of it and you obviously do. What school systems have never been accustomed to is when you take the situation where your printing cost actually is twice as much as it was before and we have many situations where you may have done the last printing in 1967 at 15,000 and suddenly we are faced with doing a reprint in 1971 of 5000. It is very difficult to get provincial departments to accept the fact that it was $2 before and it should be $3 for example, now.

MR. CAMP: Do they accept the fact that it should be higher?

MR. SKINNER: Certain percentages are 5 to 7 per cent, but the real cost often cannot be passed along very easily.

MR. CAMP: This is just a question in regard to your suggestion that desk copies be provided by, I gather, the province and sent

to schools and consultants. What kind of quantity would that be?

MR. SKINNER: It is a copy for each teacher. For example, in Ontario, the Ontario department strives through Circular 14, to indicate it is the responsibility of the schools to get their examination copies to provide copies to the teachers. The sheer fact is that it does not work. So that in a competitive situation and particularly when trends are going against you, there is even more pressure on you to get your book known to compete with other people and not turn down requests which may eliminate getting the sale, but there are a lot of teachers.

MR. CAMP: To use a familiar expression, could you give me a ballpark figure for the number you are giving away?

MR. SKINNER: I have already indicated we don't give desk copies, for example, the elementary and secondary, which is our position of strength. Even at that, this is a figure that is just off the top of my head, but I would think we give away somewhere in the order of 25,000 per year where we are actually doing X-number of copies. A normal book in Ontario, for example, at the elementary level, if you really want to get contact with the market and you are only selecting the larger schools, you are probably

giving away around 1200 copies.

MR. CAMP: That is the figure I was fishing for.

DR. JEANNERET: It has to be because you can't reach the schools any other way.

MR. CAMP: Would you just explain your recommendation number 9, because I am not sure that I understand it. In fact, I know I don't.

MR. SKINNER: I hope I do after this length of time.

MR. CAMP: You don't have to explain the difficulties ---

MR. SKINNER: Oh, yes. I indicated in the first part of my paragraph that it was from an accounting point of view and probably not practical. The fact is that in the past five years, up until fairly recently, despite the drop in our sales, we have been putting back into new plant approximately the same amount of money in an endeavour to ride this thing through and not get behind because one of the real dangers in terms of competing is if your book is taken out of date very quickly people are going to say "There are no up to date Canadian books, therefore, I must take something else." I am contradicting myself, I suppose, in a way, when I say I don't want subsidies, but I am saying -- an

encouragement to Canadian publishing, this might be one form that would work. I had an interesting discussion recently on this point of ownership which obviously has been topical lately and I said "Why should I complain because obviously the profits are up and they go to England?" The fact is, profits do go into foreign dividends, but many Canadian-owned firms, in terms of buying their books abroad, send far more money out of the country to authors and to printers and to other people than we begin to do or every have done. In our history in Canada we have paid out millions in salaries to Canadian staff. We have paid out millions to printers who were printing our books and millions to authors, Canadian authors we have had to produce our books. I feel it is up to each firm to decide whether they want to involve themselves in this kind of thing. This is with management, their interest. If the marketplace is there, then regardless of whether they are Canadian or foreign-owned, the books will be produced. I think we have shown in the past we can produce good books but we have lost the impetus that we gave to those ten, twelve, fifteen years ago.

MR. CAMP: What is:

". . . profits derived from the sales of Canadian books be taxed at a preferred

rate."?

What is the preferred rate?

MR. SKINNER: My point there was that you can't segregate your sales of Canadian materials from others, but if we are still on number 9, Mr. Camp, I honestly don't think --- this is something I had suggested, but on reflection, talking to our accountants, it is not a practical suggestion. I think the amount of plant , which is the cost to artists and type and plate-making and the rest that goes into new books, this is a figure that is quite easily identifiable and that could be significant in terms of your participation in this particular field, if this is what we want to achieve.

MR. CAMP: Finally, you said you didn't consider yourself a national asset, which I take it to mean you didn't consider the firm ---

DR. JEANNERET: You are going to regret that.

MR. CAMP: . . . a national asset. Do you consider a Canadian indigenous trade publishing industry to be a national asset?

MR. SKINNER: Oh, yes. Our interest is in publishing, not in the ownership. This is all I am trying to say. I am an

immigrant Canadian who has been here since 1930 and no one is more Canadian than those who adopt the country, but I despair at the direction that some of the discussions have taken. I am afraid it will distract us from the real problem too long to accomplish what has to be accomplished first. The other is secondary.

MR. CAMP: Let me repeat the question, because I am not sure your answer indicates you understood the question.

Do you consider that the presence of an indigenous Canadian trade publishing industry is an asset to the country?

MR. SKINNER: We are getting confused in terms now. It is the first time in my life I have ever ---

MR. CAMP: Canadian-owned, Canadian-based.

MR. SKINNER: I have always considered myself a Canadian publisher. It is only recently people are using these terms now. I hear the Prime Minsiter referring to "Canadian publishing". I don't know whether he is now saying Canadian-owned publishing or people who are publishing Canadian books.

MR. CAMP: We had the same confusion.

MR. SKINNER: It is the presence of Canadian materials that I think is significant.

Canadian ownership I am happy about but I do not think it is significant.

MR. CAMP: In other words, if the whole publishing industry came down to the textbook industry, an operation in which there was only Prentice Hall and McGraw Hill, what would be your opinion? Satisfactory?

MR. SKINNER: I don't think it can happen. The marketplace is there, the provinces have control of that and the competition, as long as our system remains what it is, will be there.

MR. CAMP: I am not arguing the point, I am trying to get your opinion.

MR. SKINNER: McGraw-Hill's have impressed me but they don't frighten me.

MR. CAMP: Thank you.

DR. JEANNERET: Might I just ask if Mr. Camp had put the question: Supposing there was nothing left but subsidiaries, would it matter?

MR. SKINNER: I don't really think so, Dr. Jeanneret. I am embarrassed at the moment for our parent company. I think we have been good Canadian corporate citizens here and I don't think we have any apologies to make at all.

THE CHAIRMAN: I don't know that anybody is asking you to make any apologies, Mr. Skinner. We are talking and asking questions. We don't want you to apologize for anything. We are quite cognizant of the position of your firm and what it has done. The fact is we have been charged with the responsibility that what you are talking about is in the public domain, people are talking this way. We would be remiss if we didn't raise these questions.

MR. CAMP: I think what I have in mind really is that we have had some opinion expressed here by your peers, colleagues, in which they have expressed the opinion that because they are publishing in Canada no matter where the company is, they feel they have a responsibility to

produce Canadian material in both the trade and textbook fields and one wonders whether that should be part of the Magna Carta of Canadian publishing. I don't know but I am very interested in your opinion.

MR. SKINNER: I think it comes back to the inclination in charge of the firm in terms of which direction they will go.

MR. CAMP: Thank you.

THE CHAIRMAN: I might say -- I want to ask you one or two questions, if I may. There are two other briefs to be heard this morning. We are going to suggest that the second one be heard at two o'clock rather than at 12.15. That is Saannes Publications Limited. We will hear it at two o'clock and then we will take up the rest of the schedule after that.

How many employees do you have here in Canada?

MR. SKINNER: Approximately 50.

THE CHAIRMAN: And how many Canadian titles do you have in production now, new titles coming up?

MR. SKINNER: Approximately 20 in the house and about 35 to 40 in various stages. Some of these might fall by the wayside. We have had as many as 90 in that same position in the past.

THE CHAIRMAN: Are these educational titles and educational texts, most of them?

MR. SKINNER: Yes, I would say almost totally, except we are now looking a little more at a combination of both markets, putting in trade editions some of the books that have started out as educational titles.

THE CHAIRMAN: Are these by Canadian authors?

MR. SKINNER: Totally.

THE CHAIRMAN: That has been really the pattern of your operation over the years with Canadian publishing of Canadian texts?

MR. SKINNER: Yes and almost exclusively printed and produced here. I heard one group say that there was not a publisher who had imported our work except from abroad. To the best of my knowledge we have never imported our work from abroad but there might be exceptions.

THE CHAIRMAN: Is your firm a wholly-owned subsidiary of the U.K. organization?

MR. SKINNER: Yes.

THE CHAIRMAN: Are there any Canadian beneficial shareholders in your Canadian subsidiary?

MR. SKINNER: No, only as directors.

THE CHAIRMAN: You are trustees. How many people on your Board of Directors?

MR. SKINNER: The present dialogue calls for four directors. We have had as many as seven in the past.

THE CHAIRMAN: And how many of the

four are Canadian and how many are not?

MR. SKINNER: When there are four it is two and two.

THE CHAIRMAN: Is there any mechanism for a split or what happens in the event that there is a tie vote on your Board?

MR. SKINNER: There never has been and we are set up with a quorum of two which can be Canadian directors which are sufficient to hold a meeting.

THE CHAIRMAN: If you had a meeting of four and there was a dispute, is there any mechanism provided for as to who breaks the tie?

MR. SKINNER: I would think the mechanism would come back to the shareholders. There is no mechanism that I am aware of.

THE CHAIRMAN: Where is the decision to publish a book made? Is it made in Canada or is it made in the U.K.?

MR. SKINNER: That is one point I can speak categorically on. Through the 20 years that I have been with Dent there has never been one decision with respect to Canadian publishing made other than in Canada by our own management.

THE CHAIRMAN: To your knowledge, what control, if any, does the U.K. firm exercise over the Canadian operation?

MR. SKINNER: No control whatsoever that has been in evidence. We utilize our own capital, we declare our own dividends from here and

again, in my experience, it has always been accepted.

THE CHAIRMAN: So, in terms of control, the control might just as well be in Canada as in the U.K.?

MR. SKINNER: That is right.

THE CHAIRMAN: Has the parent company ever discussed with you, I will ask you of your own knowledge, the interest in or the possibility of, either a public offering or the sale of control, that is to say 51 per cent, of the shares of this company to Canadians, or Canadian interests?

MR. SKINNER: In terms of going public, I would say from what I know, that is of the Dent family that they would not consider this. Obviously in Canada, in our pattern of business in the last ten years there have been a number of occasions when I think it would have been very profitable to do so and I did raise the point with them but they have not been interested.

THE CHAIRMAN: By inference you raised, I think, a discussion that we had yesterday with Dr. Clarke in the morning. I too have been interested in the whole aspect of the withdrawal that you indicated you had made. You said, "Although we have published Canadian educational and trade books we decided we could not publish trade books profitably and have concentrated on educational material for the last ten years."

I take it from that that in the last ten years you have not published any Canadian novels

or poetry at all?

MR. SKINNER: No.

THE CHAIRMAN: In your interest as President of the firm, do you have a responsibility or do you feel a responsibility, to your Board and to the public for the commercial liability of your firm? In other words, you have to make a profit?

MR. SKINNER: I personally feel a responsibility, yes.

THE CHAIRMAN: And is this feeling, or obligation if you will, one which influences your decisions in many instances? For example, you say you are a commercial house talking of self-interest.

MR. SKINNER: Yes, if you are asking me whether we have ever done books that we didn't think we would make a profit on, there have been occasions but it has been a deliberate plan. If we are going, for example, into the social studies field we would do certain books to support programs we are doing on which we would not think we would make money on those particular books but it would be part of an over-all plan to strengthen us in that particular field.

I honestly suspect that there are not too many publishers that deliberately publish many titles. This is an after effect. We all run into this because of the gamble and nature of the business.

THE CHAIRMAN: I haven't asked that

question but now that you have answered it, let us explore it just slightly.

I think Dr. Clarke did say -- and there appears to be evidence in some respects from what we have heard -- that Canadian-owned or controlled book publishers have some sort of -- I have forgotten the word he used yesterday, he talked about a sort of gut feeling, if you will -- about the country which compels them or moves them at least to publish novels or poetry and things of this kind when they know from the outset that no profit is going to be made.

I am wondering -- and you might respond to this if you will -- whether that is the only place that you can find that kind of gut feeling which can be exercised with impunity is in Canadian-controlled book publishing firms where the responsibility is totally Canada and whether because you have to report, a foreign-owned subsidiary has to report commercially to foreign owners, whether that kind of gut feeling can never be executed or is rarely executed and if this is the reason why -- and it is becoming fairly obvious -- most of the foreign-controlled book publishing firms in Canada do not participate in this gut publishing?

MR. SKINNER: No, I don't agree with Dr. Clarke on this. In fact, I would make a general statement that if publishers had been Canadian-owned through the period I am referring to it is quite likely there would have been fewer Canadian

books published than have been published.

I think when you are dealing with your own money which is what it amounts to quite often, when the Canadian-owned publisher is involved, judgment sometimes gets a little marred. I think really if you sit back from it, you are in a better position in terms of what is a difficult industry. It is the reason why a person has to have a feel for this business to operate at all, but I think you can often operate better working for someone else than in terms of having your own money in it. This is simply a personal opinion. I feel no pressure from my parent company in terms of what I do.

I don't know if I would operate any better if I owned the company but I really doubt it.

THE CHAIRMAN: You said at the bottom of page 2:

" Besides the lack of profit to a publisher, so essential for investment in new projects, there is an increasing reluctance on the part of authors to write in the face of smaller royalty returns."

I wonder if that whole thing could be subjected to encompass authors of novels and poetry and things of that kind when we get evidence, for example, from Doubleday yesterday that they get 300 or 400 manuscripts a year and about 2 are accepted? Is there any incentive being given to

Canadian authors in the field of novels., creative poetry and things of this kind to your knowledge by any foreign-controlled publishers -- and you are very knowledgeable of this situation?

MR. SKINNER: Well, we have been partly in a state of flux recently in terms of the ownership. I would think there are foreign-owned firms that have been in trade publishing. Actually I was in England last week and attended a society of book men and listened to their problems on the publishing of fiction on which they were indicating the hazards. Most of these are owned in their own country but I stated in my brief that I really wished to concentrate on the educational situation which I feel I know best, I can speak with some authority.

THE CHAIRMAN: Thank you, Mr. Skinner. We appreciate your coming. You were forthright in your answers and we appreciate your giving us the brief and relating your experiences.

MR. SKINNER: Thank you very much.

SUBMISSION OF WELLAND COUNTY ROMAN CATHOLIC SEPARATE SCHOOL BOARD

THE CHAIRMAN: We have with us now the representative of the Welland County Roman Catholic Separate School Board, Mr. Alex Kuska, Superintendent of Education and Secretary-Treasurer.

I wonder, does Welland County embrace what municipalities?

MR. KUSKA: The City of Niagara Falls, Town of Fort Erie, Town of Thorald, Town of Welland, City of Port Colborne, Town of Fonthill.

THE CHAIRMAN: I was interested in Fort Erie. In any event, you are in my ancient bailiwick. I wonder if you would touch

on the high points of your brief, Mr. Kuska?

MR. KUSKA: Mr. Chairman, it is a small brief, but I think it relates very closely to what your former person sitting here in this chair, representing one of our large firms, and my brief relates, I think, quite nicely with it. I am glad I am following him. In fact, being a teacher, I will just tie in with him. You mentioned regarding Canadian-owned or Canadian subs of foreign-owned companies, and as far as I am concerned, I am interested as an educator, as a Canadian primarily, in Canadian texts, printed in Canada, from Canadian paper, from Canadian labour, Canadian authors and editors. I think the government's role is grants only on Canadian texts. The government should pay for this gut feeling that you have used and thus ensure publication of Canadian poetry, Canadian prose, text and reference books which are sorely and badly lacking in our schools. I started teaching when there were six texts that the boys and girls had to use in Grade VIII. It is getting back to this same point, almost at this time, with all the restrictions that are going on. If I may, I would like to read the brief to you. Is this the idea?

THE CHAIRMAN: Before you move on, it is not really necessary. We have read it and I think we would like to discuss the brief with you.

On the point you have just made, apart from subsidies, you know, for making this sort of thing possible, do you think there is an obligation, or should be an obligation upon publishers who have the right to publish in a free way, and if they are going to publish, they ought to publish not only textbooks and do agency work, but they might have an obligation as well to publishing novels and poetry? Do you think this is a matter of obligation, or do you think this should be a matter of subsidy?

MR. KUSKA: I think I wouldn't approach it from that standpoint. I think it will be most difficult. I have been in education for 35 years now and I cannot see where men such as this one here, if they do not have the funds, low interest ratesand so on, where they would be interested in Canadian poetry and prose. This is aside from texts. We have roughly around 2 million in Ontario, elementary and secondary. That is not not even a large city such as New York. We are all limited in this respect. However, I think it is the duty of the government to see that Canadian poetry and prose is stood up for. It is not the onus on the publisher, but the government, through the publisher, to see that this is done.

I recall when our present Prime

Minister of Ontario, Mr. Davis, became the Minister of Education and one of the first questions -- it was quite startling -- he asked some children about Sir John A. MacDonald Very few knew who he was. You show me a book that is readable at that level by Grade VIII or for study in VII in the hands of children, and who is going to produce this? This man just said "I doubt it very much". I had some contact with Mr. Skinner before and, personally, with the man right across, Dr. Jeanneret, when he approached us in publishing certain books way back 20 odd years. No one thinks of doing this type of work unless some grant is paid and my point, or our brief presents this factor that when the department did pay grants towards text and library books, the little publishers in Ontario became big publishers. They had little offices down on Wellington and Richmond and so forth, and now they are out in Don Mills, Scarborough and North York because they were subsidized.

Now, they were not subsidized by artificial means, but the children were the benefactors. Two years ago when the grants were wiped out on library books and texts -- I have many friends in the publishing field -- they started to cry and cry badly. We are not buying things that we were ten years ago. A measly $5 towards library and

textbooks per child goes a long way. I have 12,000-odd children in my jurisdiction and if the government did pay $5 to each child here, it would be just wonderful. Not only McClelland and Stewart would be subsidized, but all these people would be subsidized and I think that is the fairest way of doing it.

DR. JEANNERET: You are really arguing in favour of a re-earmarking of the per pupil book grant?

MR. KUSKA: Right.

DR. JEANNERET: When they were integrated, of course, the Catholic grants were increased by a greater amount, but the thing you are saying is that the earmarked funds for books were lost sight of and they were used for the other purposes. So that, in effect, in your experience, and we have asked this question before and got various answers, the per capita expenditure on books now has dwindled sharply since integration of the grants.

MR. KUSKA: Children are suffering, publishers are suffering and education is suffering. This could be argued. You are given a lump sum now, no restriction.

DR. JEANNERET: You could spend it in salaries.

MR. KUSKA: I could make a local rule and say to my principal that he spend

$3 on textsout of this but that is not being democratic. If you want your industry to survive, you had better do what you were doing a few years back.

DR. JEANNERET: What did you mean when you referred to the Department of Education paid dollar for dollar within ceilings set by the department?

MR. KUSKA: They originally spent $3 per child and you could spend $10, but dollar for dollar you could spend without restriction. The buying also of textbooks and library books comes within this ordinary expenditure of $545 which the Minister had levied, so this cuts into us too.

I would like to also tell you -- there are a few people around here I think would be glad to hear this as well as you -- that the Department spent $35,000 on building a library. Not one sou towards a book. Yet, that is the purpose of the library. I have some pictures here showing you empty shelves, a $50,000 library, a waste of your money and my money. These were not taken when the books were in circulation because they more or less restricted to the two or three hundred children in school who use it. These are empty shelves completely. (Produces photographs.)

THE CHAIRMAN: Does the Department of Education, in your view, expect the regional

or local board to populate the shelves of the libraries with books from the grants that are made by the Department of Education in the normal course?

MR. KUSKA: Yes, that is a correct assumption, but in these days of cut-backs this is most difficult when teachers' salaries take 65 to 70 per cent and debentures take another 20 per cent, you have very little to play with here.

DR. JEANNERET: I know some publishers' warehouses which could use these facilities.

THE CHAIRMAN: Has your school board cut back on its expenditures in recent times, and, if it has, has the cut-back affected the book purchase policies?

MR. KUSKA: Yes, definitely. There is no choice regarding the cut-back because there is a strict figure and more cut-backs the following year. We were one of the highest spending Boards, and I am not ashamed of that, for education, and this year we have to come within the confines of the Minister's restrictions. I am not crying about that. We will do it for him next year. If this question relates to books, I think he should state so many dollars for books because, as I said previously, we could spend it on other things.

THE CHAIRMAN: From the figures you have -- you may not have them here, but would we be able to see the allocation of money for textbooks?

MR. KUSKA: Yes.

THE CHAIRMAN: In the last three or four years?

MR. KUSKA: Our department could easily supply this.

THE CHAIRMAN: Could you supply this information to us?

MR. KUSKA: Yes.

DR. JEANNERET: I recall my friend, Mr. Forestall, discussing the bilingual classrooms. Do you have any special problem with books in the French classrooms in your jurisdiction, and what form do they take?

MR. KUSKA: A very good point mentioned here. I come from the City of Welland where they have about 35 per cent of the citizens are French. We do not have them in our system. They are in the public school system, but we do have a school in Niagara Falls and Port Colborne where roughly about 250 pupils each are, and just the other day there was a request from the principal saying the per-pupil allowance, we give them roughly around $25. This is for pencils, books, mimeograph paper, art supplies, texts and library books. He is

master of his house and he decides this. That French principal had come to us and said, "Now look, we have two types of books, so you must give us additional", and the Board was very reasonable and did supply it. That is very pertinent.

MR. CAMP: You have a total of five libraries illustrated in your photographs here. How old are those libraries?

MR. KUSKA: Within the last five years.

MR. CAMP: Some are five years old?

MR. KUSKA: Oh, yes.

MR. CAMP: So, the allocation of the budget to libraries must have been exceptionally modest?

MR. KUSKA: Right. In this relation I would like to relate to libraries that were built recently. They are well staffed. I could bring you pictures showing they are well staffed.

MR. CAMP: But you have more libraries now than you had previously?

MR. KUSKA: Right.

MR. CAMP: I am not suggesting anybody buy books by the yard but there are a lot of empty shelves there. Have you any idea what it would cost to adequately stock a library of this kind?

MR. KUSKA: Yes, I would say roughly around $25,000 with good reference books. A book runs roughly around $4 or $5.

MR. CAMP: I gather your proposal is that the Government of Ontario, the Department of Education, when it agrees to build a library should accompany that with a grant which would pay for about one-fifth of the libraries' needs?

MR. KUSKA: Yes.

DR. JEANNERET: How short-term should that be?

MR. CAMP: That would be initially. When the library is finished it immediately has $5,000 for books.

MR. KUSKA: Well, when you build

a school the school board members are quite reasonable and they conform to departmental regulations. If it is a large school and the debentures are issued over 20 years, as is customary, why couldn't an additional amount of money be included for texts? You see, if they don't give us permission we can't issue it. We have to find our own local funds.

In our department we depend on the department for 75 per cent of our funds.

MR. CAMP: There is another way of looking at this, of course. The school board applies for authorization and applies for funds to build a library and apparently has not got the faintest idea what it is going to do for books?

MR. KUSKA: Exactly.

MR. CAMP: But having made the decision, shouldn't it have some responsibility for that? Here you have libraries as old as five years and there are hardly any books in them. What did they have in mind, say, when they decided they wanted a library?

MR. KUSKA: Well, they were under the impression that these grants were going to continue.

MR. CAMP: Some of them were built though after the grants system had been changed, the textbook system?

MR. KUSKA: You see, I don't want to

get into an argument on school grants here but, for instance, we don't get any grants from Inco, Stelco in our area, Norton Company, Horton Steel at Fort Erie, all the pulp mills -- we don't get one sou.

At one time the government, under Robarts, brought in a grant to be paid to the Catholic schools of Ontario and when the county boards had to come in, this was wiped out.

MR. CAMP: Your experience though, Mr. Kuska, you say that the public school libraries -- would you say the public school libraries are any better stocked?

MR. KUSKA: They wont't be now with these restrictions. They had lots of books before that time. We took advantage -- we come from the Niagara region, everything is changed now, you see.

THE CHAIRMAN: Someone used the words about rumbling. of the entire region. We have heard some rumbling downwind.

MR. KUSKA: Well, Welland County, when it existed, had a mobile bookmobile and charged $10 per classroom. Our schools took advantage of that. That was a buy and they would come around to the schools and supply us with books. We don't care where we get the books from.

THE CHAIRMAN: Thank you for covering that region, Mr. Kuska.

MR. KUSKA: Could I just add one more thing here? Mr. Skinner touched on it and you did, I think.

Regarding Circular 14 you mentioned the word "creativity" and so forth. You asked him about the number of books and he tried to show you very nicely how the American firms were coming in and bringing in more books. I think it restricts and stifles creativity --

THE CHAIRMAN: Circular 14 does?

MR. KUSKA: Yes. Dr. Jeanneret was tied in with the company and I think he still is with a publishing company and you know the process.

DR. JEANNERET: I have been in school book publishing for 18 years.

MR. KUSKA: Well, I am just going to use this X company. You have to bring in a manuscript, you have to convince the junior editor, the senior editor, he has to go over there and convince the superintendent of curriculum, the assistant superintendent and eventually it is only the whims of one person that get across into a classroom. I think the books should be written for children and teachers, not for the whims of any editor or any departmental official.

DR. JEANNERET: The publisher has to be either absolutely wrong or absolutely right in his judgment.

MR. KUSKA: I didn't get that.

DR. JEANNERET: I said from the publisher's standpoint such an individual making the final test is either right or wrong, there is no question about it.

MR. KUSKA: Is that right, in a democratic society?

DR. JEANNERET: That is the question.

THE CHAIRMAN: Thank you very much, Mr. Kuska. We appreciate you coming.

---Luncheon adjournment.

--- The hearing resumed at 2.00 p.m.

THE CHAIRMAN: I am sorry to be late once again but things are badly in motion at the moment. We have with us Saannes Publications Limited, Mr. James Gall, President and Mr. Yuri Rubinsky, Sales Manager. We have now the cast straight?

MR. GALL: Yes.

THE CHAIRMAN: If you would tell us please about the high points of your brief and then we will have a discussion with you.

SUBMISSION OF SAANNES PUBLICATIONS LIMITED

MR. GALL: Essentially what I had intended to do was to make Canadian books more available in the United States of America. I did take various research expeditions to New York City, Chicago and Buffalo to find out what sort of a reception there would be to Canadian books. In New York City I went to possibly 12 book stores and discussed the whole operation with them, whether they wanted Canadian books and if there was a chance of selling them, what interest there was and so forth and it seems to me there was a fair enough interest. In fact, one book store in particular had two big shelves empty but for three or four Pelican issues on Canada and they were very interested in getting anything from Canadian book publishers.

A similar situation existed in Chicago although I didn't see any empty shelves

waiting for Canadian books. Also in Buffalo I spent some time there and there was just no interest whatsoever in Canadian books except in the University of Buffalo library.

THE CHAIRMAN: Did they say why, being right on the border? Were there any reasons given?

MR. GALL: I don't know, the problem there seemed to be there was that they were out to make a buck and the book reading public population of Buffalo would apparently not be interested in anything from Canada, primarily because it is not "popular material".

DR. JEANNERET: Buffalo is a notoriously bad book centre anyway. Who did you call on?

MR. GALL: I can't remember the different stores. There are really only about three stores there.

DR. JEANNERET: I would have said two.

MR. GALL: I remember clearly two stores but I went to a couple of other stores which were semi-book stores and the only interest I had from anybody was the University of Buffalo. I would have though that some of our travel books -- it was indicated some of our travel books they would have been interested in. One comment that I have is that they had a Times Life Book on Canada very much along the lines of Canada 1971 for

$5 and this one is $1.50.

When I was in Chicago I ran into a new dimension, a new problem for myself going into this business of distributing in the States. I was interviewed by an immigration official who more or less gave me a question. His definition of working in the States and taking orders, as long as I am going around and talking to people about things and I am not taking orders I am not working, just visiting. Once I take an order, according to immigration officials, this is working.

THE CHAIRMAN: What does that mean?

MR. GALL: That means effectively I am not permitted to go down there and take orders from American book stores unless I found an American citizen to do this. I don't have the money to do this and I don't have the trust in Americans to promote Canadian books.

THE CHAIRMAN: We don't have any regulation of that kind.

MR. GALL: In Canada you can become an immigrant quite easily. You apply to be a landed immigrant and automatically you are an immigrant.

THE CHAIRMAN: Under our immigration laws, which are perhaps inconsistent, it states that any American who comes over here to take orders and do business does not have to have any kind of status, only in an occasional way such as you went.

MR. GALL: I don't know of any problem here. I am sure there would be a big squabble if Americans were restricted in the same way but because of this problem I pulled back my horns fairly quickly. I have already been voluntarily deported from the United States on previous occasions because I was trying to promote Russian books in the States. I was travelling with the Moscow circus through Canada setting up arenas and so forth and I sold Russian material at the Moscow circus expedition.

THE CHAIRMAN: You might take some of that material up to Ottawa to the Prime Minister's department. I am sure he might be interested in some of that.

MR. GALL: One point that really annoyed me in terms of our Russian experience was that we willingly put American books into our schools on Russia and on Russian courses. When I took my Russian course at the University of Ottawa the text that was used was a text that cost me $8.50 and the workbook cost another $4 or something, and the teacher criticized this text and said that it was out of date. This Russian that was written in this book was turn-of-the century Russian. The Russians provide a book that they sell in Canada, a hard covered book by Lena Kapalski and for $1.50 you can sell it here. They will give it to me as a distributor for 50 cents and I can sell it and retail it at $1.50

and from my way of thinking this book is a far superior book, it is a current reader for English speaking people to learn Russian.

DR. JEANNERET: It has records.

MR. GALL: The records go along with it and the records only cost $2.50 for a set of three. The Russians are encouraging people to learn Russian but not our schools, they have to use an American textbook because well, the big publishers that are being promoted in Canada sort of thing happened to have a good Russian text.

DR.JEANNERET: Did you ever try to carry a load of books into Russia?

MR. GALL: Our authors are well known in Russia.

DR. JEANNERET: Did you ever carry books into Russia?

THE CHAIRMAN: The question is a precise one.

MR. GALL: No, I didn't.

DR. JEANNERET: I did.

MR. GALL: How many books are published in Canada in the Russian language?

DR. JEANNERET: It is too long a story to tell.

MR. GALL: How many books are published in Canada in the Russian language?

DR. JEANNERET: Not many.

MR. GALL: At any rate, I was doing all this Russian promotion during a big wheat deal we had where we were buying all the Russian wheat, and that is how I got involved in it. As I got out of university, I thought this was a good area I could personally make money at. Since then, I have worked for other people and eventually I started up my own business of publishing. Unlike most Canadian publishers that you have had presentations from, I only do one sort of book: I produce directories and price lists. My main customers are people like General Electric, Frigidaire -- not any more -- Sunbeam, student directories, we do a lot of student directories.

After my experience in the States trying to sell books there and deciding I could be deported at any time because of the possibility of working and being classified as working, I do like to go to the States. I am not anti-American. I am just pro-Canadian. I decided I had better lower my sights and make sure Canadian books are published -- Canadian published books are distributed in Canada, because it seems to me we don't need any more publishers, necessarily, but we need an effective distribution system.

One of my means of doing this so far, I have spent about $1200, I suppose

in researching this and hiring Yuri, a student at Brock University, to distribute books and decide which books we should try to distribute, try and find if there is a market there. We have met all sorts of pitfalls and we need money. My own business is not a very capital-intensive business and at about the $5000 level, sort of thing, I am out of business. I have got to figure out a means of getting a low-interest loan. I can get a 12 per cent loan, but a 12 per cent loan, you know, is just paying interest to somebody. I need something I can buy inventory in books, and I will explain that in a minute, about my experience trying to buy books from publishers and what terms they want and so forth.

So far, I have had Yuri travelling through the Niagara Falls area over to Windsor and Sarnia with a collection of, I think, about 50 titles that we had and out of these 50 titles we determine which ones would probably be of interest to non-book store, because the publishers we are dealing with are primarily interested in distributing in non-book store areas, rather than book store areas where they have arrangements for book stores.

I think the best way to explain what is going on here is to indicate the individual titles I have selected. In order to get a good discount on different books,

such as the most popular one we have, Travel Ontario, put out by New Press, they want us to order a thousand copies on a non-return basis. On that rate they will give us a 55 per cent discount which allows us to sell them fairly readily at a 40 per cent discount. There is a great deal of resistance from any book store or any non-book store to put anything near the cash register or anything like that without at least a 40 per cent discount because that is their normal operating discount. I don't have money to buy 1000 books.

DR. JEANNERET: I didn't think they would put it anywhere, let alone near the cash register, for less than that.

MR. GALL: The 33 per cent idea I had just bombed out instantly. We have taken this book and I have ordered 100 copies of it, but 100 copies will give me a 50 per cent discount only if I take them on a no-return basis and they say they are giving me a better deal than anybody else has got. I am sure the big book stores would take more than a 40 per cent discount and I don't have the funds to purchase more than 100 at this stage, because they are going to want the money and I guess at the minimum they are going to start making noise in about 60 days.

That is Travel Ontario. Fortunately, the most impressive book is one

the government does in terms of interest in Ontario. In 1967 the tourist -- Department of Tourism in Ontario produced this book Historic Ontario. It has got no date on it, thank heavens, so people are not concerned about the date, except somebody who knows about the book, and reads Fort William and Port Arthur for Thunder Bay. They will not know it is a pre-dated book. Anyway, the Ontario government is selling me these books after two weeks of negotiation at 50 per cent on the proviso that I buy a thousand books Apparently they have 40,000 of these in the warehouse. I have determined that I can sell these things for $1.50. The $1.50 price means I sell it to the book store for 90 cents, or whoever is going to distribute it. The 90-cent price is very profitable to me because I can buy them from the government, provided I have cash in hand when I go there, which is a horrible restriction to me right now -- I can buy them for 50 cents each. My whole project this summer will be based on this book, provided other people don't find out they can get it from the government for the same price.

Canada 1971, I believe is a good seller. I don't know how many I will sell this summer. It is a book I would really like to get involved with more heavily

because it has got a fair amount of information of general interest to tourists, or people contemplating Canada as an interesting place. Unfortunately, again the federal government wants cash ahead of time because a great deal of interest is in this, but darn it, I am not going to be able to provide this to the people who want it, you know, because they want to pay me in 30 days, sort of thing. The government wants me to order 1000 copies before they will give me a 50 per cent discount. If I get 1000 copies, again this is on a no-return basis. The only way I can see of getting around this is going through and marking out the $1.50 selling price on the book and make everybody know it is worth $2 and there is no argument it is worth $2, I am sure, but I will run into problems there with the federal government in selling their merchandise marked $1.50 for $2, and my people selling it are quite possibly going to balk at this. I don't know. This is an area, if a chap argues about it, well, not too bad. It might be something I won't be able to handle this summer, but that is a book I would like to handle, but I may not be able to.

This book by an 80 year-old woman who lives in Kitchener, is a book on poetry. I don't know, this poetry book by an older woman is fantastically with the times.

It is a very easy to read book and the poems are of interest to me and practically any of the younger generation. In fact, she got it published by a Canadian publisher, Baxter Press, who is not involved primarily in publishing books, unfortunately. She guaranteed him an order of 600 books and the copyright procedures were not done properly. One of the poems in here has been plagiarized and it has been one of the hit tunes, but this is one of the difficulties of our industry, that there are some people who don't know how you go about getting copyrights, and she has got no protection on this.

DR. JEANNERET: You don't, you know. You don't go about getting it, you have got it.

MR. GALL: I don't know the ---

DR. JEANNERET: I know the situation.

MR. GALL: I don't know the situation but you can't do anything about the song being used in the States.

DR. JEANNERET: Oh, in the States?

MR. GALL: In Canada she is protected but not the States.

DR. JEANNERET: Mr. Baxter didn't put the right notice on it.

MR. GALL: I think this is a good book on poetry. There are lots of good books of poetry in Canada that are not available anywhere and really, I am appalled at this. It just happens I know Bonnie Day and I like her work and have heard her read it. Everywhere she goes and reads her poetry, she sells her book. She has got no encouragement whatsoever because Baxter is dealing with an American firm, I believe, and I see none of her books on any of the bookshelves anywhere.

THE CHAIRMAN: May I ask a question?

MR. GALL: Sure.

THE CHAIRMAN: You have got several books and I think what you are telling us is the nature of them, their background, but I really would like to know is what it is you think you would like us to do?

MR. GALL: It is simple: somehow guarantee a loan so that I can effectively operate this summer. Yuri came back from his trip and, unfortunately, the car I gave -- loaned him -- I have two cars -- the engine blew, burned out in Milton and that $300 I have got to come up with to get the engine back in shape ---

THE CHAIRMAN: Have you approached the Ontario Development Corporation

at any time?

MR. GALL: No, I haven't. I have got no -- you see, this business of running a business -- I am going full-time.---

THE CHAIRMAN: The business of running a business?

MR. GALL: Yeah. They come at me on Friday every two weeks and say "I want my pay cheque". I have to keep one business going and I have to, you know, I sometimes have to spend half a day looking around to my customers to try to get money to cover my overdraft at the bank because the bank manager won't give me an overdraft. This question of money, you know, is so darned hard to get loans unless you sell your heart and soul and the only people who will offer you money are Americans. Damn it, I am trying to keep my company and my business Canadian and on several occasions people have offered me $12,000 to work for them. I am paying myself $7500. I get awful tempted sometimes to go and work for a computer typesetting firm in Toronto at $1000 a month with no worries, you know, and, of course, if I do that, my five employees are out of a job.

THE CHAIRMAN: You should be happy you can make that kind of choice.

MR. GALL: I agree. This is fantastic and, you know, five years ago I chose

to work on the railroad at night and try to get a business established in the daytime. A year and a half of this was not an easy task.

THE CHAIRMAN: We want to move along. I think you have made your point very well, and I think in view of this, we will have one or two suggestions we can make on an interim basis which might be of some value to you. We can't guarantee anything. If we could leave it on that basis, you have made your point very well and we will encourage you to keep on working as hard as ever and we will see what we can do. I don't know whether Dr. Jeanneret or I can guarantee personally we will get anywhere, but we will do our best to do what you ask.

MR. GALL: It is more the availability and knowledge about how you go about getting a loan, going public -- I was involved with this business of going public. In order to have a bigger office than what I really wanted at the time, I rented my office out to somebody else. You probably know of them, Tax Savers, and I saw the whole business of how you raise money and how they went about getting money on the public market at $4 a share and it went up to $8 and plummeted down and I think I got a couple thousand shares worth 10 cents, or maybe

not even 10 cents, maybe 5 cents now. The whole business -- you are not doing the business, selling books, you are just organizing money and, darn it, I have not got time to sit in meetings and prepare capital cost allowances -- you know, the whole budget and so forth. I am not experienced at that. I am experienced at producing books and this kind of thing. I just don't know where to turn. I have talked to different people in terms of how you go about raising money and they all smile at me and give all kinds of reasons why I shouldn't be doing it.

Have you ever talked to a bank manager sometimes saying, "Well, I need money to do this" and the questions he asks? If you could go to a consultant and say, "Okay, now how do you prepare a case for a loan?" then you might get somewhere but just going in there for a loan it is really frustrating.

THE CHAIRMAN: Can we leave it on this basis then, that if you will talk to Mr. Flemming a little later then he will perhaps do something to assist you. I appreciate very much both of you coming here and, as I say, keep up with your endeavour.

MR. GALL: Thank you.

SUBMISSION OF ONTARIO COUNCIL OF UNIVERSITY LIBRARIANS

THE CHAIRMAN: We have with us now representatives of the Ontario Council of University Librarians, Mr. Donald A. Redmond, Chairman, Mr. William Watson, Member and John Martin, Secretary.

I wonder, Mr. Redmond, if you can identify the location, geographically if you will, of yourself and colleagues, where you are located?

MR. REDMOND: I am the librarian of Queen's University at Kingston, Mr. Martin the Secretary of the Council is librarian at Trent University in Peterborough and Mr. Watson

who will speak to our brief this afternoon is librarian at the University of Waterloo and as an introduction we do represent the librarians or we are, I should say, the librarians of the 14 provincially supported universities of Ontario. This, of course, does not include the colleges of Applied Arts and Technology, the Royal Military College or Waterloo Lutheran University. The latter two are observers on the Council so if you would like to quiz any of us we will be glad indeed to reply to your questions but Mr. Watson will speak first.

MR. WATSON: Mr. Chairman, you have the brief which has been prepared. I should apologize beforehand because we are not attempting to offer any solutions. Our brief, in fact, is in the nature of a response to a statement which has been made by the publishers over the last year particularly and more intensively these past few months.

THE CHAIRMAN: I am sorry, have you had the benefit, if I may call it that, of seeing any of the briefs that have been put forward and that we have heard?

MR. WATSON: We have seen press reports of them. Occasionally we refer specifically to a brief which has been submitted to the Ontario Commission by the Canadian Book Publishers' Council. Our concern really is with two main issues, one, that the publishers want to be our

agents for foreign-produced books, particularly those from the U.S. and the U.K. They state -- I am quoting now from the Canadian Book Publishers' Council brief to the Wright Commission:

" The budgets spent on college library purchases are almost entirely drawn from public funds, and it seems hard that these funds are now used in such a way as to inhibit the scale of Canadian publishing operations. If the money now directed to foreign agents were channelled through the Canadian book industry, the increased flow would be a real stimulus to the production of more Canadian titles to the mutual advantage of both publishing and education."

We see a number of assumptions in that statement and it is to those that we wish to address ourselves first. The first assumption is that the university libraries have some kind of responsibility to Canadian publishers whereas we assert that our prime responsibility is to our constituencies and to the taxpayers.

There is also a sort of assumption implicit there that Canadian books are in competition with books published elsewhere and we know that this is not the case in the libraries because we buy virtually all adult level books published by Canadian publishers.

DR. JEANNERET: Would you repeat what you just said there, Mr. Watson?

MR. WATSON: We buy virtually all our adult level books published by Canadian

publishers, published in Canada.

DR. JEANNERET: You are using the word "published" there in the sense of originally produced here?

MR. WATSON: Yes.

MR. REDMOND: I think it might even go further than that to say that we have the dragnet out for Canadiana whether or not it is published in Canada. If it is of Canadian public interest or authorship or origin but, of course, everything that is published in Canada

MR. WATSON: Elsewhere in their brief the Canadian Book Publishers' Council state:

" We suggest that there are few works that are indispensible for educational use. If one is not available, another is."

Incredible, but true. We also suggest that not as much money is spent on new English language books as the publishers suggest.

In Ontario just about 30 per cent of our acquisition money is spent this way. We have surveyed the libraries in the 14 provincial supported universities and find that in the year 1969-70, $10,400,000 was spent on acquisition. Of this amount $3,145,000 was spent on new books. The remaining 70 per cent was spent on new foreign books, periodicals, maps and phonodiscs and all the other things that are part of the modern library.

DR.JEANNERET: $10 million a total budget?

MR. WATSON: $10,400,000.

DR. JEANNERET: $3 million spent on what?

MR. WATSON: $3,145,000 spent on new English language books. It happens that we spent more in Canada than we did in either the United States or U.K. The figures there are $1,485,000 in Canada, $1,190,000 in the United States.

DR. JEANNERET: When you say "in Canada", what do you mean?

MR. WATSON: Purchased from somebody based in Canada.

DR. JEANNERET: It might be an American jobber.

MR. WATSON: It might be, yes, and $470,000 from dealers in the U.K. Now, we are not certain that the pattern applies across the country but if it does that would have meant $7,650,000 would have been new books from Canada, the United States, U.K. and Ireland of a total spent of $25,500,000.

Another hidden implicit assumption is that Canadian publisher agents are in fact able to provide us with the kind of service that we require and our experience has been unfortunately too often that they have not been able to do that. How do you stress the importance of the relationship

between publishing on the one hand and distributing foreign-produced books on the other? We are not convinced that the relationship between these two things is as close as has been suggested and neither, of course, is the Economic Council of Canada which has said -- and I quote from their report on the actual industrial property:

" If there were some clear association between the amount of agency business available to individual publishers on the one hand and their support of Canadian authors and production of Canadian textbooks on the other, the cross-subsidization argument might carry somewhat more weight. But no very definite pattern of this sort is apparent."

THE CHAIRMAN: Do you subscribe to that proposition?

MR. WATSON: We don't see the pattern, it has merely been demonstrated.

THE CHAIRMAN: Do you think there should be a pattern or there should be some responsibility on the part of the publisher-agent to support it?

MR. WATSON: If they claim that they are entitled to Canadian business so as to be able to support publishing in Canada, then there should be a close connection.

THE CHAIRMAN: There should be a connection?

MR. WATSON: Yes.

THE CHAIRMAN: And if there is not a connection which is acted upon at this time, do you think it is the kind of thing that we should take note of and make recommendations on?

MR. WATSON: It might very well be within your terms of reference, yes.

DR. JEANNERET: You were saying, Mr. Watson, that the Canadian publisher-agent has not demonstrated a capacity to offer their required service -- I forget exactly how you said it. Is that a total generalization or do you say that some have and some have not? This is what I expect you mean.

MR. WATSON: Some have and some have not.

DR. JEANNERET: Do those who have receive your service?

MR. WATSON: It varies from institution to institution.

DR. JEANNERET: In some cases publishers providing good service as agents are not supported?

MR. WATSON: That is the case.

DR. JEANNERET: How is that case explained?

MR. WATSON: It is explained in our case by our having decided that we were going to

apply for country of origin wherever possible. Before we place our business we will search hard to get items rather than others which are easily available.

DR. JEANNERET: But not as easily available as if you knew that it was sitting in a warehouse in Toronto?

MR. WATSON: Precisely.

MR. REDMOND: The problem, I think, is one of capital. The problem is risk capital which cannot possibly cover, as I think a previous brief has indicated, cannot possibly cover the import of materials which a university library needs. It is difficult enough for people who have to invest risk capital to find that capital on high discount items to afford to bring in trade books when you consider that a very large percentage of the items which university libraries need are low discount or short discount items, the risk problem of bringing items in which may very well sell 10, 20 or 2 copies in Canada becomes almost insuperable.

DR. JEANNERET: You are speaking about the risk capital problem for the Canadian publisher-agent?

MR. REDMOND: Exactly.

DR. JEANNERET: But I was asking if the Canadian publisher-agent is known to have the books normally in his warehouse and I gather that there are situations -- and Mr. Watson has

referred to them -- where this is disregarded and they are still ordered abroad?

MR. REDMOND: I think the operative word here must be "known". I think it is very seldom known that anything other than a relatively small number of major publishers are, as a matter of routine, in stock in Toronto and when you consider the very large number of sources from which university libraries draw, the probabilities are very low.

DR. JEANNERET: Excuse me, Mr. Watson.

MR. WATSON: Our other main point has to do with publishing in Canada and the practice of photocopying. A survey that we have undertaken across Canada some six weeks ago shows that only a very small part indeed of the photocopying that is done in libraries is from Canadian books.

Photocopying, in general, is not used as a way of dodging purchasing the material. It is largely a substitute for note taking. The machinery which is posed in the Canadian Book Publishers brief, we are convinced, would not show profit and would not even probably pay for itself.

The two major proposals, one to permit the right of libraries to import directly, and the other to regulate photocopying by the outlined procedure, we feel would not advance this at all and would do great harm to scholarship in the country.

DR. JEANNERET: Your purchasing procedures at university libraries, I am sure you would be proud to demonstrate, have become very sophisticated indeed and they are rapidly becoming more so. To what extent has the Ontario Council of University Librarians done anything in the way of coordinating purchasing from whatever sources you purchase from and through whatever agents you may use, and what are the problems in the way of a very much higher degree of coordination of your purchasing, as it is done now, or are you rugged individualists when it comes to purchasing?

MR. REDMOND: The problem at the moment is we do not have enough research information and enough statistical information

on present patterns of purchase, the present pattern of holdings in university libraries. The patterns of holding which have been indicated by studies elsewhere, such as that of libraries in the New England State universities, indicate a perhaps one-third, that is one volume out of three, overlap between any two university libraries, but the problem of coordination of acquisitions is not one of the type which is susceptible overall to the kind of approach that was done for the Ontario new universities libraries project, for instance, some five or six years ago, where a number of developing universities, including Trent, got packaged libraries; in other words, some 35,000 titles substantially identical were supplied in six or seven copies to six or seven different libraries.

DR. JEANNERET: I published the catalogue.

MR. REDMOND: The present acquisitions probably include a certain amount of duplication and a sophisticated, centralized or correlated, or coordinated, if you want to call it that, computerized acquisition program very possibly could be undertaken. There is at least one university library in the province now which is undertaking a computerized acquisitions program in connection with a commercial firm and this is something that the

rest of the university libraries are watching, but the development of a totally coordinated acquisitions system has been strained by the sophistication of a multi-customer computerized acquisitions system and the so-far lack of rationalization of demand. In other words, the books are added to the university libraries and are added in response to demands of curriculum, of research and what have you, at the individual university level. Until some measure of rationalization can be brought into this rationalization of the acquisitions process itself is not possible.

I sit on the A.U.C.C., Association of Universities and Colleges of Canada committee on rationalization of large libraries and the Ontario Council itself now has a standing committee on cooperation in acquisitions. At the moment, the first and most obvious thrust of this committee is toward coordination and large purchases, that is, purchases of a couple of thousand dollars or more per item. That is, for instance, large back files, large research sets which may well be in only one or two places in the province. The problem is that you are ordering between 40 and a couple of hundred thousand items per year costing an average of $10 or $15 each and this is an awful lot of paperwork which is susceptible only to computer coordination.

You cannot possibly coordinate a thing like this manually and at the moment we believe that the necessary computer sophistication is a bit down the road for us. We are watching very closely the efforts, such as the Ontario College Library Centre. In the United States, one which is undertaking this sort of thing is in Colorado, the system which is similarly undertaking this and the ---

DR. JEANNERET: The use of I.S.B.N's?

MR. REDMOND: The standard book number will certainly play a part but it is not the only thing because always it could be a graphic citation, that is a full textual citation of the book must be in the order records. The office of library coordination, which has now been authorized by the Council of Ontario Universities will certainly be an agency which will play an increasing part in the development of schemes of the type.

THE CHAIRMAN: Let me see if I can understand, if I have the concept of what you have just said? Is it this way: It is not a matter of coordinating acquisitions, because that is really beyond the physical capability, if you will, of the various 14 libraries' demands of the 14 libraries except for large courses. You have not said

this, but really the problem is that of the coordination of service or supply, the availability or supply of books that you need when you need them?

MR. REDMOND: No, I think the problem is of both kinds, but I think it is rather the former than the latter, inasmuch as this Commission may be interested, as I say, I think the system of coordinated acquisitions, the actual process of procuring -- procurement -- can be undertaken using fairly sophisticated techniques. The demand is unpredictable and to some extent, because the demand is local and we do not know enough about resources that may be available in other universities, we have a local demand which is presently being met by acquisition which might in future be met by coordination. As yet we do not have the numerical information, we lack the statistical analysis, the holdings of purchases of the actual title-by-title review of our purchases to be able to say what the dimensions of this problem are, or what the solutions may be ; to which it might be susceptible.

DR. JEANNERET: I was not talking to the question so much the matter of possibly overlapping holdings. That is a separate, philosophical topic. I realize -- I am not calling it in question, but I want to get it

in the right perspective. Necessarily there are 14 parallel-ordering centres operating and there is no dialogue between them, except as between the men we see before us.

MR. REDMAN: That is essentially correct.

DR. JEANNERET: When you are ordering from let us say,overseas and let us say an average requirement, not a rare book or an out of print book, or anything of that nature, something that is catalogued and recently published, ---

MR. REDMAN: I would draw to your attention that is certainly not more than one-third of our total buying.

DR. JEANNERET: One-third of the amount is a fairly large figure. When you do order that type of book from overseas from the moment that you order it to the moment you receive it, might normally take how long? I realize there is no one answer to this and I am sure it varies greatly, but we are talking of five weeks, six weeks?

MR. REDMAN: On occasion we have produced a kind of guess list of average in-built delays which ranges from 3 to 5 weeks if the book can be expected to be in Toronto. 8 to 10 weeks if the book can be expected to be in stock in New York. 12 to 16 weeks if the book can be expected to be in stock in

London, on up to, I would attempt to say infinity. Certainly we have had at least some years on European items, let us say, or English items.

DR. JEANNERET: But where you are ordering from, shall we say, a British agent, directly from the U.K.?

MR. REDMOND: When we are ordering from a British agent for a current in-print title, we can expect a delay of on the average I think 12 weeks.

DR. JEANNERET: In all frankness what would your average period be between the date of receipt and the day that your users in the library had access to it, that is, how long would it take normally to accession that book?

MR. REDMOND: I can't speak for every university in such a case. I know that at my own university there is a slip in the catalogue within 48 hours after the book is actually handled through the receiving section, which says "This book has been received". There is a slip in the catalogue beforehand which says "This book is on order".

DR. JEANNERET: In other words, the accessioning time is of significant importance in the delay of putting the book on the shelves.

MR. REDMOND: The book is known

to be on the campus and therefore would be available to the users in a hurry, within a delay period that is much less than the vagaries of the supply system.

DR. JEANNERET: It might be a few weeks by the time it is catalogued?

MR. REDMOND: Final processing, again, depends on what the immediate or long-term use of the book may be. We get a great many books which sit around for a long time because nobody is in an immediate hurry for them. On the other hand, we process a great many books within 48 hours, which are going to be wanted for class reserve, or somebody wants it for research or whatever.

DR. JEANNERET: If you will bear with me for a few moments, I feel that the issue before us now is as important a single issue as has been delineated up to this time. We have had many problems and we have a basic general question before us, but it isn't we have just read about this in a brief by the Canadian Book Publishers Council to the Post Secondary Education Commission. We read -- we have heard about it. We have heard this about it in the O.L.A. brief to us and we have heard about it a number of times. Most of the representations to us have taken up the position, of course, that maybe disagrees with the position you have taken, but

I am sympathetic in the sense that I understand the position that university libraries must take on the issue of buying around and, personally, I hope I lack bias and there are reasons I do. It is many years since I have been associated with agency publishing in Canada. I have been associated with the supply of books in various directions and the problems related to service, I think are true to everybody as very real ones.

It is an emotion-charged issue on all sides. There are a number of constituencies involved here, not just publishers and university librarians. As I have indicated, there are other kinds of librarians and are, for that matter, book sellers and jobbers and many different groups but each side, in effect, is claiming that its point of view and arguing that its point of view, is consistent with the public interest and presumably that means the long-term public interest even when they dissociate themselves from any responsibilities for this or that particular problem. The publishers for good service -- they don't quite do that or librarians for the survival of Canadian publishing -- and you don't quite do that, but there is an element of this in the thinking on the subject and you have pointed out that at the present time you have to work without too high a degree of co-ordination in the purchasing procedures and that if it were necessary you have to be able to buy directly only one-third of the books, even claimed as I understand it, as agency type books by the Canadian publisher-agents.

We have not said very much about competitiveness in price and I might just set that aside for the moment. I realize that this is certainly an aspect of it and I realize and think that service perhaps predominates but they would both have to be weighed into decisions and

in the main I think your argument has been placed on the basis of the service, has been founded on the question of service.

Now, the question I would like to ask you is this -- and in a sense you have partly answered this: I gather that you might be glad enough to purchase locally from a so-called exclusive Canadian agent if you knew-- and the words that you used "if it could be known", I want to come back to that word "known" -- if it could be known that you could do this without delay and if it could be known that the items were actually available with the local agent. I mean obviously the difference between getting the book from a local agent even if it were a bit cumbersome and slow, say a couple of weeks, it is very much in your interests to do it that way as compared with waiting 12 weeks for an average overseas fulfilment. But your problem is that you don't know and it takes too long to find out and it takes too long to get reports on the orders you place and are not reported on and after many weeks become NCR or whatever it might be. I presume we could go on multiplying the problems and you become disenchanted with the whole agency procedure and find it more convenient not to bother with it at all.

But if they were actually known to be on the shelf sitting there waiting to be shipped to you perhaps you would, with respect to those books,

feel differently as to the desirable source of supply, assuming a reasonable degree of competitiveness in price too -- we have to take that for granted.

So, I come to my key question and I am not sure you will be able to answer today but assuming we are all in good faith, and that is an assumption, I think, that we have to make, that we are all approaching this question in good faith, both the publishers and the librarians, each earnestly convinced that his point of view is correct and virtually unassailable if only a Commission such as this could elicit all the facts. The question I would like to put is this: To what degree would you be willing to bring about, each of you individually, complete openness? My key word is "openness". You have heard that on the campuses lately -- complete openness in your purchasing, of the time of purchasing.

I am speaking about a system that could possibly ensure that generally speaking -- and I am not speaking about a system that would be out to catch incidental exceptions to the idea or the legal procedure and I would expect a considerable number of exceptions, partly accidental and partly as a matter of convenience -- a system that might ensure that Canadian publisher-agents would have an opportunity to offer to fill immediately and at a competitive price and from stock on hand, whenver they had the book for

an order that you were placing?

Now, I will put that another way: On your own admission, regarding the importance of service and economy you should be glad -- and I presume you are glad by what you have said -- to purchase locally if the book is available in Canada at the time you need it and that the price is reasonably competitive, as I was saying, and as compared with waiting for some weeks for it, perhaps some months. So, by "openness" I am referring to a system whereby a duplicate of your order would be filed either directly with the agent, the accredited agent, so-called accredited agent, if you like, or with some central clearing house that is yet to be invented to whose records all would-be agents would have continuing and instantaneous access thus making is possible for accredited agents to request the privilege of being allowed to fill immediately and competitively where they were able to do so.

It may be that such a system might be cumbersome but I put it to you that the advantages to you as librarians, as university librarians out to give service, of being able to procure 10 per cent or 30 per cent or perhaps 75 per cent of those books that you now order abroad that you theoretically might order locally -- I realize on your own submission you are talking about one-third of the total -- to be able to get that large proportion of them

within a few days in this way should outweigh any inconvenience that you might be involved in, in being encouraged not to buy around, as the saying goes and at the same time there would be an excellent opportunity for some independent body yet to be invented, to measure up objectively and on a continuing basis the short-fall in service of which you complain and no doubt rightfully complain -- and this worries me very much, that aspect of it.

Finally, with the computerized techniques and the availability of ISBM's and other identifications the whole procedure could be expected to work with a good deal of smoothness and your normal lines of direct importations would still be open to you within a minimum length of time from the moment that your orders were drawn up in the form that you would normally draw them and we could perhaps postulate a good line for acceptance of such orders by local agents. If they came forward and found your need and offered to fill it, it could be set arbitrarily at 10 days or two weeks, or something of that nature. This is something to be discussed.

I don't know if this kind of an approach is capable of being discussed to any kind of conclusion this afternoon. You may see a great many absolute objections to it which I would like to hear. You might say it is worth

1 looking into, I don't know, but it is certainly
2 capable of every kind of refinement in the world
3 but what it boils down to in its simplest form
4 is that if the book were available in town, that
5 is in the province, in Toronto, in the publisher's
6 warehouse, the accredited agent's warehouse,
7 would you be agreeable to avoiding buying around
8 in the future? In order to find out about this
9 would you be willing to go in for a little openness
10 in the matter of what you are ordering?
11 It follows that if the book were
12 not available you would not presumably be expected
13 to wait, you would lose your week or whatever
14 we might agree on but for the books that you
15 would lose a week or 10 days on, you would be
16 far, far ahead on those you got right away.
17 I would welcome your thoughts on this and then
18 I have one other suggestion to make in connection
19 with it and I am not bringing this forward as
20 a final and perfect solution but rather as a
21 line to talk about because it is so closely
22 connected with the interests of creative Canadian
23 publishers and we are as worried as you are
24 about those publishers who are agents and not
25 creative Canadian publishers.
26 MR. REDMOND: This, I think, is
27 one of the very key points which too often
28 in discussion of this whole situation has, I
29 think, been a tacit assumption, that there is
30 some necessary connection between Canadian

publishing and Canadian agents. The Economic Council report on Intellectual and Industrial Property makes this point very strongly.

DR. JEANNERET: It is a negative point. The negative point that they make is that merely because they import doesn't mean they publish.

MR. REDMOND: Exactly.

DR. JEANNERET: But show me the ones, apart from one special exception, that publishes and doesn't import.

MR. REDMOND: The only thing that I am wanting to do at the moment is to point out that there is no necessary connection. Very probably there is in economic fact an economic necessity as distinguished from what one could call a bibliographic necessity.

As far as the library is concerned there is no bibliographic necessity and this is one of the problems we face that we seem to be tied to a bibliographic necessity through an economic necessity, through an economic necessity. I think there is absolutely no doubt that university libraries are in favour of some kind of co-operative approach.

I think our brief mentions that we have hopefully and repeatedly approached co-operative proposals for service which has been made only to go through what is to use Mr. Watson's phrase, a repeated cycle of optimism,

frustration and despair. There has been at least one fairly large co-operative project in Toronto in recent years which came very perilously near to absolute failure.

DR. JEANNERET: It did fail.

MR. REDMOND: I think that in your phrase, sir, the independent body has yet to be invented which could enlarge the scope of this to the width at which it would be very usefully effective to the libraries. However, if such a mechanism can be found I think there is no doubt that the university libraries would patronize it and if I understand what you mean by "openness" of purchasing in effect, that a library places an open order with such a centralized agency or clearing house or whatever one chooses to call it and that these open orders can immediately be scanned by the connected firms in that co-operative or clearing house and filled from stock --

DR. JEANNERET: Filled or offered to be filled?

MR. REDMOND: Filled or offered -- I think there is no doubt that there would be interest from university libraries. The dimensions of this would have to be known. Once the university libraries are very optimistically drawn into repeated offers of service by commercial firms saying, "We are going to set up such and such kind of service", I would draw to your

attention the approval plan, services or blanket order services which some commercial firms based in Toronto are offering and some based elsewhere in Canada and these are also a very good mechanism for assuring, if you will, a market for a certain percentage of items.

DR. JEANNERET: They tend to be very ad hoc.

MR. REDMOND: They tend to be very ad hoc, but on the other hand, university libraries have placed a large number of pretty wide orders with them. We happen to have over 100 orders for firms on standing arrangements. The University of Toronto has some hundreds. They are in effect saying to whatever agent contracts to do this, "All right, you supply us every title or every useful title that such and such a list of firms puts out, and we will undertake to take the books. We don't know in advance what they will be". Our coverage of the major publishers is so broad that we can do this and it would be profitable. I would suggest, however, that for a system of this sort to be effective on a large scale and involve a large number of university libraries, it will have to be computerized. The cost of this will be very considerable. It will be something of the order of at least half a million dollars a year for hardware and software and I have no idea how much capital will be involved for the stock which will supply the scheme effectively.

DR. JEANNERET: May I just take you up here, if I may. I don't want to interrupt. I think you have dealt with my

question as adequately as I could hope you would deal with it at this time, and I don't think there is any possibility of getting this group to a firm position, pro or con or in between. You know what I mean. I was not really proposing a central system of order processing or anything that would be unduly top-heavy.

MR. REDMOND: I think at the same time there is very definitely an interest and the university libraries are aware that in some direction such a s this our only hope lies, because our own processes, our own internal processes, are getting to this stage where we are doing too much paper shuffling, where we are doing too much record keeping, where we are doing too much repetition of these little and endless tasks. If the thing can be done in a systematic fashion, if we can reduce our number of sources of supply, increase the certainly of supply, and, of course, reduce the amount of paperwork involved in import, which is very substantial, we will be really grateful. We will be really glad to accept it.

DR. JEANNERET: As a spin-off you can encourage the so-called public agents to do their jobs by making it possible for them to get business by being in a position

to supply service, perhaps we can reverse this vicious circle that has been going on. May I come to my final question ---

MR. REDMOND: Could I comment on that last sentence before you go on? I was going to say earlier that there is little, as far as the university libraries are concerned, little or no competition between books. This is a point Mr. Watson made earlier. Therefore, there is little or no competition between agents to have exclusive rights. However, when the buying around phenomenon occurs, there is competition and this essentially is the problem that faces us. It then becomes the problem of the exclusive agent in Canada being able to afford to stock and give services needed.

DR. JEANNERET: You want to give them the incentive to try. If he tries succeeds, you will be happy. If he tries and fails, you have every right on your side to disregard him, but on a per-title basis, perhaps.

This is too big a question and it is just as important as I have said. It is too big a question to resolve now. I would like to propose that you express the possibility of a serious conference of your group of librarians and, indeed, of librarians generally, if necessary, and of publishers and those who

are interested parties to be held possibly under the auspices of this Commission in private. I don't mean in camera, but not a public hearing or anything of that nature, sometime during the next very few weeks, perhaps more than one session would be necessary. Perhaps it will break down into committees, but if there is anything in this area we can explore together toward a possible solution, it would certainly be of assistance to the Commission in its report and the emphasis that has been attached to the buying around problem can easily be exaggerated, as you will find out by reviewing the record up to this point. Would you be willing to cooperate in principle?

MR. REDMOND: I am absolutely sure that the Council will be willing to cooperate. I would point out that Council has stated its policy that it does not hear commercial representations so that we would want such a discussion to be under the auspices of the Commission.

DR. JEANNERET: That is my idea.

MR. REDMOND: To which we would be invited, and I certainly would be glad to attack mutual problems in an open spirit.

THE CHAIRMAN: Well ---

MR. REDMOND: I would suggest, by

the way, that if such a meeting is desired, it would have to be in the first or early second week of June.

THE CHAIRMAN: This is the kind of target we can look at. I might say to you that the way we are working on this Commission is sometimes a little unusual. I didn't come up with the same level approach that Dr. Jeanneret came up with and put it to you in this very well thought out question in relation to the kind of mechanism, but at 5:00 o'clock in the morning this morning I did come to the final question in the same way: Is there an opportunity for a conference between the librarians on the one hand and the publisher-agents on the other?

MR. REDMOND: We carry on a continual bilateral conversation. One acquisition department vis-a-vis one representative of a firm and, unfortunately, of course, there is always too much jockeying for position as between competitive salesmen, as it were, and it would be well to bring people around the table.

THE CHAIRMAN: So the answer to Dr. Jeanneret's question, the last question is one whereby you are prepared to meet with us and with the publisher-agents and others to discuss -- to begin a dialogue, if you will, this would be very encouraging so far as we

are concerned. We could begin implementation of such a meeting very shortly.

I don't think, gentlemen, unless there are other questions you want to put to us, or statements you want to make that we have any further questions.

MR. REDMOND: Thank you very much, gentlemen.

MR. WATSON: Thank you, Mr. Chairman.

SUBMISSION OF GRIFFIN PRESS LIMITED (GRIFFIN HOUSE)

THE CHAIRMAN: We now have with us the representatives of Griffin Press Limited (Griffin House). We welcome you, Mr. Griffin and Mr. D.W. McDonald, Trade and Text Book Manager.

We are sorry to hold you up, Mr. Griffin. We would be obliged if you would speak to the brief and Mr. McDonald will discuss it with us.

MR. GRIFFIN: I assume you don't wish me to read the brief, since you have already done so, and I don't think I have anything to add, except what is there. You will have noted that I have strongly indicated how I feel about the buying around

problem, by Canadian institutional, educational institutions, which is germane to the learned discussion we just heard.

THE CHAIRMAN: What is your reaction to the discussion you just heard?

MR. GRIFFIN: I think the positive step suggested by Mr. Jeanneret, is an excellent idea. What I understood by that was that the accredited (in quotation marks) the accredited agent would be, in effect, given the first opportunity to supply books which are published by his principals, and if he failed, then the second opportunity, of course, would go presumably to a non -- outside Canada jobber.

DR. JEANNERET: That depends on what the conference decides, but this is a line to discuss.

MR. GRIFFIN: That is right. I don't think one can ask more than that. I also feel that in a sense as between librarians and publishers, we are dealing with a horse and cart situation continually.

MR. CAMP: Your recommendation is stronger than that.

MR. GRIFFIN: My recommendation is stronger than that, yes. That is another issue. May I finish what I was aaying? It is in a sense a cart and horse issue. The librarians won't order from Canadian publishers,

publisher-agents, because they say they don't have the books, and, of course, the Canadian publisher-agents won't stock the books in part because they are not sure of getting the orders. The solution Dr. Jeanneret suggested could very well solve that. On the other hand, my comment is stronger, as you say, Mr. Camp, and being as you will have gathered, somewhat of a nationalist in these matters, I feel tax monies given in Canada should be spent in Canada.

MR. CAMP: Well, there is the essential consideration, as I think the previous brief pointed out, their responsibility is to their own consumer in regard to the provision of services based on the economy and the efficiency. Where those standards cannot be met by a Canadian organization, I believe is the thread of their argument.

MR. GRIFFIN: They dealt with this. They even tried to buy the book from the accredited Canadian representative.

MR. CAMP: But what you suggest, I gather, is the possibility that government requires them to purchase from Canadian sources. This would have the effect, I take it, of encouraging Canadian publisher-agents to acquire the necessary inventory, which you admit sometimes they do not carry?

MR. GRIFFIN: I would suggest

further that if within a very short period the publisher-agents took advantage of this practical monopoly and did not provide this service, very quickly the law of suppy and demand, being what it is, some enterprising entrepreneur would set up a Canadian jobbing business for this special purpose.

DR. JEANNERET: If they haven't done that already.

MR. GRIFFIN: Yes, if they haven't done it already. I meant specifically for the academic library.

DR. JEANNERET: I still say, if they haven't done that already.

MR. CAMP: To some degree, but there is a symbiotic relationship between the publishing industry and the libraries. I had a hard time understanding the previous statement. I wonder if you would comment on that? 'There appear to be no grounds for believing if Canadian publisher-agents were given a comfortable monopoly on importations, they would not be content to carry on acting in that capacity ---

MR. GRIFFIN: Where are you getting that, sir?

MR. CAMP: That is a statement made prior.

MR. GRIFFIN: You say there

was no guarantee they would not abuse that? I don't think it is that kind of a guarantee.

MR. CAMP: In any monopolistic situation.

MR. GRIFFIN: No, that is right. This is why I feel that if it did not improve, then Canadian jobbers, knowing they had the market, merely because they would be Canadian, would step into this breach.

DR. JEANNERET: Just one point. Your brief is so clear, Mr. Griffin. On page 3 at the top you say:

" Publishers can no longer count on long comfortable press runs from which profits gained were used to do general Canadian publishing. I believe governments must be more aware of this and assist either by loans or grants for the new developments in the educational publishing field or by protection at the distribution level."

I think the point you are saying here and what you are saying earlier in your brief is that it is reasonable to suspect the list prices of Canadian books to increase if they are going to remain Canadian, perhaps increase significantly above the traditional levels of corresponding American books, trade and educational both.

Now, if that is what you are saying it is the first time it is said, it is a new idea. Is that what you are saying?

MR. GRIFFIN: I don't understand what you said, sir.

DR. JEANNERET: Didn't your colleague get it?

MR. McDONALD: I would say this is true particularly in the area of education that with a smaller curriculum or more local

curriculum I think we are going to be called upon to produce smaller press runs and therefore our increased costs will be much greater.

DR. JEANNERET: In other words, you are saying -- and it is a legitimate thing to say and it may be right -- that we simply have to adjust our sights to higher prices in order to have the privilege of an indigenous Canadian -- I won't use that word "indigenous" -- a Canadian publishing industry?

MR. McDONALD: I would say that is right.

MR. GRIFFIN: That was one of my first principles right at the start of this brief.

DR. JEANNERET: It may be worth hammering that home.

MR. GRIFFIN: I believe that. I might suggest also that part of the price of being Canadian may not only be economic but also the principle of accepting poor service.

DR. JEANNERET: You are not advocating that?

MR. GRIFFIN: Goodness no, I am a firm believer in fine service and I think it is terribly important in books as in anything else but I would be willing to put up with it to remain Canadian.

THE CHAIRMAN: Mr. Griffin, on page 3 of your brief -- I concur first of all with

Dr. Jeanneret's remarks about the pertinence of your brief and also commend you on its shortness. On page 3 you talk about this advertising folder. You say:

" The six pieces delineated and others in production have been conceived, written, edited, designed, printed and published entirely in Canada. This project came into existence in response to an appraised need -- to fill a gap in instructional materials for Canadian children."

Who appraised the need and how did the appraisal fill a need?

MR. GRIFFIN: The appraisal was inevitably an informal one, a group of people who are working in education came to us and said, "We think this kind of approach is a good one. Would you like to be our publisher?". It was not a formal survey in any sense.

THE CHAIRMAN: A group of people working in education. They did not come as representatives, therefore, of any part of the departmental structure, they came on their own?

MR. GRIFFIN: Correct.

MR. McDONALD: Growing out of the Hodgett report of Canadian studies in Canada.

THE CHAIRMAN: I have only one other comment, if you will. You say on page 2:

" I can no more prove that an independent,

" home-owned book publishing industry is important to the preservation of Canada than Sir John Macdonald could prove the desirability of Confederation."

My recollection, not my understanding of the historical background of his ability to prove a need indicates to me that you could very well be able to prove that there is an importance in the preservation of Canada with regard to independent home-owned book publishing industry. I thought you put that very well.

MR. GRIFFIN: I thought that statement might be called into question. I meant that he obviously and successfuly advanced many reasons and was believed but it is not something we can prove by a mathematical formula.

THE CHAIRMAN: One final question. You say on page 4:

" To make my meaning clear I define a Canadian publisher as one whose effective managerial, editorial and financial control is in the hands of persons domiciled in Canada, and whose ownership is substantially in the hands of persons domiciled in Canada."

What would you interpret as "substantial", if you are talking in terms of shared ownership in a company?

MR. GRIFFIN: Oh, perhaps two-thirds.

THE CHAIRMAN: Would it be between 51 and two-thirds, two-thirds best and 51 not as much or do you think two-thirds is something that is proper?

MR. GRIFFIN: I don't know. To me "substantial" does mean more than 51 per cent.

THE CHAIRMAN: It means more than 51 per cent?

MR. GRIFFIN: Oh, yes.

THE CHAIRMAN: The question that Dr. Jeanneret has is do you really mean domiciled as opposed from merely resident?

MR. GRIFFIN: I think the distinction is of some importance.

MR. JEANNERET: An American national domiciled in Canada is okay with you?

MR. GRIFFIN: Yes, if we mean the same thing by "domicile" which, as I remember means that it is a combination of fact and intention in that the person does live here and it can be demonstrated that he has an intention of remaining here.

THE CHAIRMAN: Remaining here on a permanent basis?

MR. GRIFFIN: That is correct. I think an American domiciled is acceptable to me, yes.

DR. JEANNERET: Even that is

stretching the word "domicile" if I may say so, isn't it an international law? I know that under American manufacturing provisions you just publish your book while you are at Columbia University teaching for the year in Canada and put a U.S. international copyright on it with a UCC notice in it and then try to import it into the States and then see what happens.

THE CHAIRMAN: That is interesting on that definition because there is a lot of faculty on the American side of the universities here. In the event that you took the definition that an American domiciled in Canada is adequate for your purposes here would also mean that an American citizen who is teaching at a university in Canada would be, in your eyes, a Canadian to all intents and purposes, or would you look to see that person give evidence of a commitment to Canada in terms of attempting to or gaining citizenship?

MR. GRIFFIN: I like your suggestion, I would say that the person who owns a business here in the publisher case has already given some evidence of a commitment to Canada. The professor case is a little different.

THE CHAIRMAN: Thank you very much, gentlemen, it is a very pertinent brief.

SUBMISSION OF UNIVERSITY AND COLLEGE PUBLISHERS' GROUP OF THE CANADIAN BOOK PUBLISHERS' COUNCIL

THE CHAIRMAN: We have with us the University and College Publishers' Group of the Canadian Book Publishers' Council. We have Mr. Rex Williams, Chairman, Mr. Lloyd Elmer, Vice-Chairman and Mr. Ivor Owen. I wonder if you could discuss your brief with us, the kind of points you would like to make and then we will have a discussion in connection with it.

MR. WILLIAMS: One of my main points, Mr. Chairman, has been discussed already this afternoon. Perhaps we could comment further on that.

THE CHAIRMAN: If you would like to comment on it, it might be appropriate even at this point.

MR. WILLIAMS: I am sure our brief indicates one plan already in existence which attempts to supply university libraries at a competitive price.

THE CHAIRMAN: You consider it a proposal for a discussion, a meeting to be an acceptable approach, a point for a beginning. You think this would be valuable?

MR. WILLIAMS: I certainly think it would.

THE CHAIRMAN: Would you touch the points in your brief you would like to make?

MR. WILLIAMS: The other point we

have made is that Canadian publishers have perhaps been criticized for their lack of enterprise in producing books for Canadian undergraduates and graduate students. We have attempted to show just how much publishing has, in fact, gone on in this line over the past ten years and there has been the suggestion made this afternoon, previously, that there was no necesssary connection between domestic publishing and the importation of books.

We attempt to show that this importation of books does handle a large amount of the overhead which we need in order to exploit our own books properly.

I think that is all.

THE CHAIRMAN: Do any of your colleagues wish to add anything at this juncture? Otherwise, we will go straight into a few questions.

MR. CAMP: I am sure Dr. Jeanneret can pursue this better than I.

DR. JEANNERET: I just have a few questions. I have covered some of them. On page 3 you make the point that Canadian publishers cannot be expected to produce books for every course taught in Canadian universities and colleges and I think that is self-evident and a good point.

You also, I think, follow your argument that there are some courses in which it

is possible for them to do so although often often only barely possible.

The question I would put to you is, whether you would normally be inclined to develop and produce a Canadian college book in one of these barely better than marginal market areas at the university level if you had a competitive book in your list published by your parent company? I suppose in some respects this applies to Oxford and a great number of your fellow members, not so much to some of the others. I don't know whether it can be answered generally but I think it is the kind of question that would occur to this Commission -- availability of a competing book from abroad in a particular area would, to some extent, govern your decision to originate a Canadian book in that field, even though it could be done on a slightly better than marginal basis. That would be a reasonable assumption, wouldn't it?

MR. OWEN: I would not be inclined to put a book in the Oxford list that would be competing with a book over in England for obvious reasons and perhaps less obvious reasons, that obviously we would have less prospect of an export market for it.

DR. JEANNERET: I just wanted to be sure I understood your position definitely. Would you agree in connection with this up-growth that we have seen in recent years of college

publishing for Canada that there has been a rather marked emphasis in Canadian college textbook publishing, and I think perhaps too much emphasis, on books of the chisms and based on ecology type. Would you like to comment on that? I am afraid this is one thing that we have gone for in a big way, isn't it? Or do you feel --

MR. ELMER: I think the market itself is determining the change in the demand for the book of readings, which I think is what you refer to. There seems now a marked turn away from producing such volumes and the market itself does control this type of publication quite well. Still, there are a number of areas which are still not well served by Canadian books and the book of readings, the type of scissors and paste seems to be a better than nothing alternative to wholly imported material.

DR. JEANNERET: Better than nothing, I agree. In certain areas it is a useful source book. On this frequently-mentioned question of the firmly-entrenched practice of supplying free desk copies and all the costs related to it at the college level especially, what would your reaction be to legislation, or regulation, if that were possible, that might prohibit the distribution of desk copies, perhaps prohibit selling of college books at preferential discounts? Would you think this is an invasion of your inalienable rights to do whatever you like or do you think it is a good thing?

MR. WILLIAMS: After a book has been adopted ---

DR. JEANNERET: I am talking about desk copies and no opportunity for you to

categorize them at all before, during or after. I think it is very difficult to put it on the basis of individual judgments.

THE CHAIRMAN: A desk copy put on the desk for thepurpose of enticing the reader to purchase more, isn't that the philosophy?

MR. ELMER; There is a subtle difference here which usually means a desk copy is on the desk after the book has been required in quantity. These desk copies are then given to several instructors following an actual sale.

DR. JEANNERET: Don't make that distinction. I am talking about complimentary or free copies.

MR. CAMP: Is that an acknowledged cost?

MR. WILLIAMS: I think they are trying to show this is probably an advertisement, shall we say, as any other, such as preparing a pamphlet or a leaflet would be.

DR. JEANNERET: I didn't hear you.

MR. WILLIAMS: Sorry. Probably the additional cost of preparing a special leaflet or pamphlet, which would be large enough to describe this kind of book adequately would be more expensive than provision of a free copy.

DR. JEANNERET: You rather defend the free-copy practice, then?

MR. ELMER: I think Mr. Williams defends the prior free copies in order to induce people to examine the book and thereby recommend them to buy it.

DR. JEANNERET: Could you regulate the distinction between those?

MR. ELMER: That would be very difficult, yes. Something which is in the record to indicate the higher costs, which is now affecting prices rather than to hold back any kind of legislation or any action could do very much about it.

DR. JEANNERET: It is not a peculiarly Canadian problem.

On page 12 you are talking about translations, a major topic of mine,"the paucity of Canadian texts in either languages has already been noted, and the lack of funds for translation only accentuates the situation". You don't develop it and you don't need to. It has been discussed elsewhere, but would you define as clearly as you can a situation in which translation subsidies are indicated in your opinion? This has been discussed before but I just want to be sure we are agreed on this.

If I am not clear, would you agree to the proposition that it would be

desirable to subsidize translation costs automatically if competent translation in the other national language is assured, in order to develop it and that is a factor in the decision to publish?

MR. ELMER: Yes.

MR. WILLIAMS: Yes.

MR. OWEN: Yes.

DR. JEANNERET: Any Canadian book we are talking about?

MR. OWEN: Yes.

DR. JEANNERET: And no value judgments made beforehand.

On page 20, your reference to the University of Toronto Department Extension Course, suggested that university students constituted a significant portion of the enrolment. I don't think that is true and I don't think you mean that, do you? Perhaps it has suddenly become so. I am not aware of the last year. It used not to be so.

MR. WILLIAMS: I believe the enrolment last year, in terms of people outside the publishing industry division we don't know what definition of students you would use for that. We can't say.

DR. JEANNERET: Your final recommendation on page 22:

". . . university budgets make adequate provision for

creating and maintaining bookstores of a high standard with professional and knowledgeable staff."

Presumably you are proposing that this be done out of existing formula financing in the case of Ontario. That means out of provincial grants for individual institutions. Formula financing, as you know, is based on involvement in various categories in various institutions. Don't you believe that earmarked grants are the only possible way of accomplishing specific results of this kind? Do you think that it is possible that it would be accomplished out of formula financing?

MR. WILLIAMS: Earmarked funds are a very necesaary feature.

DR. JEANNERET: That is what you are recommending, that there be earmarked grants to back up this university grant budgetary provision? We can tell the universities what they can do, but as long as they are getting a collective grant based on formula financing, there are so many pressures on it and so many complications that it is like Circular 14 in the lower grades. They may or may not spend their money on what is listed.

THE CHAIRMAN: A comment in going back, I don't know if we can tell the

universities to do anything.

MR. CAMP: Would I be correct in assuming that all the members have seen and approved this submission, all the members here listed?

MR. WILLIAMS: Yes, they have certainly seem the submission.

MR. CAMP: Have they approved it? Unanimous approval?

MR. WILLIAMS: In the absence of any negative response, we have assumed ---

THE CHAIRMAN: You are saying passive consensus?

MR. WILLIAMS: Yes.

MR. CAMP: You are talking now about books published in such areas as Canadian history, politics, socio-economics and literature, on page 4. You say:

"A recent survey of members of our Group showed that Canadian books represent a significant proportion of all university-college sales. The highest percentages reported were 68% and 65%. The lowest was 'nil' . . ."

How can you account for that phenomenon?

MR. WILLIAMS: This would be from a company which is a subsidiary of an American publisher who has so far done no

publishing in Canada.

MR. CAMP: We are having difficulty in communication.

MR. OWEN: One of the ones that reported zero per cent has only been established in Canada in the last year so it had not, by the time the report was prepared, apparently got a book out yet.

DR. JEANNERET: You won't embarrass anybody if you come clean.

MR. CAMP: Who was that?

DR. JEANNERET: I don't think it is very embarrassing.

MR. OWEN: It was Van Nostrand.

MR. CAMP: Who was it?

DR. JEANNERET: Van Nostrand.

MR. CAMP: Would you just explain to me now, it means you take a certain segment of course content, is that right?

MR. WILLIAMS: No.

MR. CAMP: Would you explain that paragraph to me so that I can understand the highest percentage was 68 per cent?

MR. WILLIAMS: What we have done is to take from each company that reported the sales to universities and to colleges. They have then said of these total says, X-per cent were of Canadian-produced books and Y-per cent were imported books.

MR. CAMP: That would be of all books sold in universities?

MR. OWEN: All books sold as course textbooks. It doesn't include library books.

MR. CAMP: In all fields?

MR. WILLIAMS: In all fields.

MR. CAMP: So that the company reporting, in fact, the corollary would be 100 per cent of all books sold to universities would be American or other origin. When we hear the brief we had previously, and this one, and consider them together, they are almost diametrically opposed in their point of view. I suppose ---

DR. JEANNERET: We found common ground.

MR. CAMP: Don't worry, I am not trying to escalate the situation at all.

DR. JEANNERET: Don't spoil it.

MR. CAMP: So half the things I wanted to ask, I will restrain myself and wait for this meeting which Dr. Jeanneret has so kindly arranged for us.

If you have, in the statement on page 6, a situation where you say:

"It is equally true that in a good many cases the Canadian distributors, through

substantial discounts, can and do offer their books at a price no greater -- and often less -- than the price offered abroad."

The operative phrase there is "in a good many cases". You go on to say:

"Both librarians and publishers could pick out many individual instances . . ."

I would be satisfied with one where, in effect an American text, which I gather is what you mean ---

MR. WILLIAMS: We are talking about sales to libraries here, or there are more scholarly books.

MR. ELMER: Or we have a book which was originally printed in Britain which has a higher price in the United States than Canada, and this happens quite often. I think this is perhaps the prime type of book suggested here.

MR. OWEN: I can say categorically that all British books on my list are available to the library here at the equivalent of U.K. list price or less.

MR. ELMER: This is so for at least a dozen.

MR. CAMP: This would be less than the American price for the same book in the United States in many cases?

MR. OWEN: Normally.

DR. JEANNERET: Normally the same book is not available.on an either/or basis.

MR. CAMP: Then I don't understand why the statement was made.

MR. OWEN: Really, we are discussing here, Mr. Camp, the great question of whether the university library buys its books in Canada or from Blackhall or some other dealer.

MR. CAMP: I just wanted to get some expression on the statement that in many cases, in fact, libraries compulsively buy around, which means abroad.

MR. OWEN: There is an air of compulsiveness about it sometimes.

MR. CAMP: One other question which is not in your brief but perhaps you could make a comment on it as it applies particularly to university textbooks and that is with regard to the cost of them. Are you aware that insofar as the students are concerned, the cost of textbooks to many of them seems to be excessive.

MR. WILLIAMS: I think, in our brief, we have touched on this and this appears in our brief. We are conscious of the practice to set prices too high just as the book stores themselves feel responsibility for this.

MR. CAMP: How much of your sales are in paperback now?

MR. ELMER: I think most firms find a greater number of their texts are more and more in paperback. The exceptions would be certain subjects where a durable book is needed, for instance, in first year physics.

MR. WILLIAMS: To be more specific, our domestic publishing people tell me we have only had one textbook in the last three years which is hardback.

DR. JEANNERET: I will make an observation just to see if you agree that very often a paperback is selected by the publisher really to humour students to think that they are really dollars cheaper whereas we know they are 40 and 50 cents cheaper in cost and it may be false economy. This is, to some extent,

pandering to a notion.

MR. OWEN: Well, throughout publishing both trade and college the paper cover is the symbol of cheapness, rather than hard cover.

MR. CAMP: For the record, it is true that the difference between a hard cover book and the same book in soft cover is a matter of two quarters or 50 cents.

DR. JEANNERET: For the same number of copies, Mr. Camp.

MR. WILLIAMS: That is the manufacturing cost.

MR. CAMP: I am talking now about the cost to the student, the cost of putting a hard covered book in his hands as opposed to a soft cover, the same student, of the same book is a matter of 50 cents. I am not talking about the publisher, I am talking about the student.

MR. WILLIAMS: If we decide to put a hard cover on a book we are immediately getting into a market other than the student market, the public book store or the public library who want a book that can be durable.

THE CHAIRMAN: Gentlemen, thank you very much, we appreciate your coming.

SUBMISSION OF ONTARIO TEACHERS' FEDERATION

THE CHAIRMAN: Now, for the final brief of the day we have the Ontario Teachers' Federation, Mrs. Hazel Farr, President, Mrs. S.

Dubois, Assistant Secretary and Mr. Omer Deslauriers, Member. It is our usual practice to ask you to hit the high points and then to have a discussion. We understand that you are going to be speaking in two languages so would you begin?

MRS. FARR: Thank you, Mr. Chairman and gentlemen.

As you are aware I am sure the Ontario Teachers' Federation is a professional organization of 103,000 elementary and secondary school teachers in Ontario. We have five affiliates. One of our affiliates is the Association of the Franco-Ontarian Teachers and we have a brief in English and one in French prepared by the AFO and I would like, if I may, to make a few comments on the English brief and then if you will let me, ask Mr. Deslauriers to comment on the French brief.

We realize the high risk factors to publishers in publishing textbooks. Our concerns are with textbooks, with reference books and materials in our schools. Our Board of Governors, the governors' body of the Ontario Teachers' Federation has, on several occasions, expressed concern and frequently passed resolutions and because of that we have prepared this brief.

We realize that many textbooks sell in small quantities and that small quantities are

expensive and that there is a maximum price that the market will bear. Sometimes the publisher barely breaks even or he might even publish at a loss. We fear that if this happens very often that many good Canadian textbooks and materials may never get published.

Therefore, we are recommending that the Canadian Government through the council of ministers work out a cost-sharing arrangement with Canadian publishers so that Canadian book publishers may be able to publish Canadian materials in both English and French even in small quantities and still stay in business.

We may question why publish Canadian material if American editions are available? Let me say right here I do not wish to convey the idea that everything American is bad. In fact, it is useful for a teacher to be able to present a given situation from different points of view but we feel there should always be a Canadian point of view available. Many of the books produced for use in Ontario schools are adaptations of American books. There are two aspects, I think, of the production of materials. One is the end result, materials and their usefulness and the other is the involvement of people in the development of the materials.

Although in many cases an American edition may be useful, yet it leaves out the

involvement of Canadian people. One example is the decision of OISE to discontinue developing and tb discontinue publishing the science units which have been developed by Ontario teachers because they felt the material brought from an American source was unsatisfactory and whether the American materials were satisfactory or not the fact that an influential institution was prepared to accept them left out the involvement of Canadian teachers in the development.

The change that makes is people as a result of their involvement. I don't wish to be critical of OISE but this is just an example of something that can sometimes happen.

In order that Canadians may be encouraged to develop Canadian materials we suggest that grants be made available for preparation, for research and preparation of such materials. The grants should be sufficient to allow Canadian teachers to take their leave of absence and do research and development of materials, as it is very difficult to do the necessary research in actual writing and at the same time hold down a full-time job.

These are the comments I wish to make. Mr. Dickson from our staff has joined us and I would like Mr. Deslauriers to comment on the French brief.

(Mr. Deslauriers in French)

At this point the discussion continued in the French language between Mr. Deslauriers and Dr. Jeanneret. In response to questions put by Dr. Jeanneret, Mr. Deslauriers made the observation that not only were the prices of Quebec-originated textbooks substantially higher than those of Ontario, but that the prices of French textbooks from France, where useful at all, were still higher. Mr. Deslauriers emphasized the fact that very few French language books are included on Circular 14 and that it would be of great assistance if a substantially expanded number of textbooks with Circular 14 status could be so included, but admittedly they have to be written and published first. If the problem of the English language Canadian textbook publisher is difficult then the problem of the Franco-Ontarian publisher is that much more aggravated. Specially earmarked grants, substantially larger than for English language pupils, may be the only answer, as the writing and publishing of the necessary Ontario materials in French will have to be paid for if such materials are going to be written and published.

MR. CAMP: The recommendation whereby teachers requesting French language materials on Circular 14 suggests that it would be fairer if school principals could deal directly with the Department of Education rather than deal with the local superintendent who is often inexperienced. That seems to commend itself as being sensible.

Has any proposal ever been made to the department?

MR. DESLAURIERS: At this time the situation of French language high schools at the local level, those who would approve of the text in Article 14 are superintendents. It may happen there would be a difficulty there so that I would advise the principal directly with the department but I would still

prefer that it become efficient that we have a Circular 14½ or 14B where our books would be included in it and also we would like to make certain -- we have grants now from the federal government, you know the $14 million coming from the French speaking people in this province and where does it go? They give it to Boards but are these grants ear-marked for library books or textbooks? I don't think so. I don't mean all the money should be given for text or library books or audio-visual materials but if a part of it were ear-marked it would be easier because we have the problem with textbooks. I wonder if that part of the money should not be left in Toronto to give to publishers or to authors who could produce Ontario-based books for our schools?

MR. CAMP: But the answer as to whether or not any application had ever been made to the department for this kind of policy is no?

MR. DESLAURIERS: Not yet. It may become a problem this year but before we sent an order to the Board and they would be quite conciliatory. Now they are becoming more and more exacting in their approving of textbooks.

DR. JEANNERET: You might explain that statement.

MR. DESLAURIERS: If I may, in my opinion a few years ago there was decentralization

of the Department of Education, ten areas. I think the last two or three years from the K-13 business and the appointment of superintendents it seems that the government is centralizing again a bit more than it was doing two or three years ago. This is the inference I have in my region. I don't know if it is the same thing in Toronto. I think it is the policy of the ten areas in the province a few years ago but the department now wants to centralize a bit more.

MR. CAMP: I think the proposals are very clear and I have no questions except on the top of page 5 you make the observation that it seems for some years now that the Minister generally encourages the introduction of French texts on Circular 14. This would seem to be part of a campaign to preserve the Canadian identity. What do you mean by that? Is that a criticism or an observation or does it have any implication in terms of what follows? And does the Minister indeed discourage the introduction of non-Canadian materials?

MR. DESLAURIERS: We have tried to have books from Quebec or books from France to be included in Circular 14. I don't blame entirely the government.

MR. CAMP: A book from Quebec would not be a non-Canadian book -- yet.

MR. DESLAURIERS: We would not recommend these books to be used in our schools. It is difficult to have a book from France to be put automatically on Circular 14. That is why I suggest to go into all these problems to study the areas, what books should be written, what books should be translated, and, afterwards, have unanimity among our teachers as to this, so we would not proliferate and print so many books that no publisher would dare to work on in our field.

MR. CAMP: Thank you.

THE CHAIRMAN: Mrs. Farr, I wanted to examine a couple of the resolutions that you have got in your brief that you put forward, and I see that on page 1 and running to page 2, among other things, the winter meeting of the O.T.F. Board of Governors, requested, among other things, or moved, or passed a resolution that O.T.F. request the Ontario Institute for studies in education conduct a study to determine the extent of the American influence on the Ontario education system to include textbooks, audio-visual material, teaching personnel and other related material.

I was wondering whether the fact that we have heard here and have heard elsewhere recently, that one-third of the staff of OISE are American citizens, would have any

effect on the implementation of that kind of a recommendation or not? (Laughter)

MRS. FARR: I am sure I don't know, but I would think they would be able to make an objective study. This concerns me and I expressed this at the Board of Governors also.

THE CHAIRMAN: I just wanted to draw it to your attention whether or not it might have some significance with regard to the implementation of that particular resolution.

MR. CAMP: I have no general comment to make upon one of the complaints that has been made by publishers that because of the increasing diversity and expansion of curriculum, that this has put quite a burden on the publishers trying to service so large and so diverse a segment. Do you, first of all, recognize this is a problem, this broadening of the curricular fragmentation is going to continue? Is it going to be any possibility of solution?

MRS. FARR: As I commented at the beginning, we realize that it will be expensive, but we think that it is preferable not in our schools for children to have a variety of books and materials to work with, rather than just one, so that we may buy not as many copies of a textbook, but we would buy several textbooks. Now, I expect the production and

development and publishing would be more expensive because that makes the market even smaller, but I think we still have to deal with that because I feel it is very important to our educational system.

THE CHAIRMAN: Just following that, instead of one, how many do you as a teacher, or do your colleagues, some odd thousands, how many would they like to have in terms of variety? One used to be fine, but is the greater the number the better, or is there any yardstick at all?

MRS. FARR: Well, I am only able to speak for the area in which I work and Mr. Dickson is perhaps more familiar with the secondary school than with the elementary system, particularly the primary area, and when I started teaching the child had one primer, for instance, from which he read. Now I have a selection of books and some children may choose -- I may choose to have one group of children reading from one series and another from another and I may have three series going in my room at the same time. That does not mean three times 35. It might mean three times 15 or 20, but I would also like to have a few copies of other books available for them to use as supplementary books. Now, as we get into the junior and the intermediate system and are working with social studies

and science and so on, I would think that we would have to have several available. We would not just take one book and follow it through, but there might be five or six or seven, but just a few copies of each. I think maybe Mr. Deslauriers and Mr. Dickson could carry on with that.

MR. DICKSON: I recall a secondary school history teacher saying to me a short time ago that at one time she had 30 books all the same for 30 students and now her aim was to have 30 different books for 30 students. I think that summarizes the trend.

THE CHAIRMAN: Did she say why?

MR. DICKSON: Because ---

THE CHAIRMAN: 30 different viewpoints?

MR. DICKSON: You have thirty different viewpoints and much more individualizing of the approach nowadays, so that while some student is working on a topic related to the middle ages, let us say, another one is working on something to do with the ghetto life in modern society and it takes a great many books to allow them to work individually.

DR. JEANNERET: This is a dramatic exchange. This is not like conducting French or something of that nature, something static, or whatever you call it. What you are going to have is an objective, 30 different

introductory French textbooks. I don't think today or next year or next decade.

MR. DICKSON: You are quite right. There are areas where there are a few books used still.

DR. JEANNERET: The mass publication would still be characteristic in those certain areas.

MR. DICKSON: The difference from a few years ago would be that there would be several sets and they are used where there is strength in the given set they are using. It is not unusual in both elementary and secondary to see, say, half a dozen sets of a textbook, perhaps in English composition and different sets are used at different times.

DR. JEANNERET: Is the pipeline full, or as full as it should be of foreign-origin textbooks? That may make the question a little clear. For many years it was $3 a pupil, depending on grade level and so on, and grants were integrated with the per-capita grants. Have we reached a point where this was more money than was needed to be spent on books? Did you have that feeling, just talking about two years ago?

MR. DICKSON: I have never had that sentiment expressed to me.

DR. JEANNERET: I was wondering

if you have had the feeling you had too many books?

MR. DICKSON: There is a shortage of materials in some areas, one after the other, and right now it is monographs and smaller publications dealing with current issues so that the available monies seem always to be in demand and there always seems to be a shortage of materials.

DR. JEANNERET: A shift in provisions. That is very interesting.

MR. DESLAURIERS: The money situation, I know, in the high schools they give so much per student, maybe $8 in Ottawa for their English schools and we are still hoping to have $13 or $14. The budget is not out yet.

DR. JEANNERET: It used to be $12 and the department earmarked it.

MR. DESLAURIERS: It is now $8 because of the budget restrictions, but I know before introducing new courses, a principal has to now look on his budget to see if he can afford to pay for the new books, especially for history, geography, when you must buy class sets, it is a problem because money comes from the Board.

DR. JEANNERET: Before 1968 you didn't have that problem.

MR. DESLAURIERS: At the high school

level ---

DR. JEANNERET: The funds were earmarked, were they not? It was a fixed earmarked amount per pupil for books and nothing else.

MR. DESLAURIERS: Decided by the Board.

THE CHAIRMAN: Exactly. The decision was the Board's. Whether or not you spent all or any part you would qualify for it for texts.

MR. CAMP: Just as an observation, Mr. Deslauriers mentions the publishing houses must remember they are built on a business basis and not a cultural one. There are some exceptions. In your brief, Mrs. Farr, I think you say that without dedication the Canadian book publishers would not publish many of the truly Canadian books available today. I suppose the truth of the matter is somewhere in between.

MR. DESLAURIERS: My experiences with publishers of French books for our schools, they were very sympathetic to our needs for the culture but we had to tell them they would at least break even.

MR. CAMP: What is the school population?

MR. DESLAURIERS: 90,000 at the elementary level and 30,000 at the secondary.

I think it is 120,000 altogether.

THE CHAIRMAN: Thank you very much for coming.

MRS. FARR: Thank you very much for giving us the opportunity.

---Adjournment